

STAR eligibility

Changes to STAR

If you currently receive your STAR benefit as a reduction on your school tax bill (the STAR exemption), you may receive a greater benefit if you switch to the STAR credit to receive a check instead.

Recent changes in the law beginning this year:

- The value of the STAR credit savings may increase by as much as 2% each year, but the value of the STAR exemption savings will not increase.
- The income limit for the Basic STAR exemption is now \$250,000.

If your income is **more than \$250,000**, you **must** switch to the STAR credit to continue receiving a STAR benefit.

If your income is **\$250,000 or less**, you have the **option** to switch.

To switch to the STAR credit:

1. Notify your assessor to withdraw from the STAR exemption.
2. [Register for the STAR credit.](#)

The income criteria for the STAR credit and the STAR property tax exemption has changed (see table, below). You can't receive both the credit and the exemption.

Eligible types of property

- houses, condominiums, cooperative apartments, manufactured homes, and farm houses
- mixed-use properties, including apartment buildings (but only the owner-occupied portion)

Eligible homeowners

Requirements for Basic and Enhanced STAR

Factor	Basic STAR	Enhanced STAR
Residency	You must own your home and it must be your primary residence.*	
Age	No age restriction	65 or older For jointly owned property, only one spouse or sibling must be at least 65 by December 31 of the year when the benefit will begin.
Income**	\$500,000 or less for the STAR credit (\$250,000 or less for the STAR exemption) The income limit applies to the combined incomes of only the owners and owners' spouses who reside at the property.	For 2019 benefits, \$86,300 or less. For 2020, \$88,050 or less. The income limit applies to all owners (residents and non-residents), and any owner's spouse who resides at the property.

* **Determining your primary residence**

Some factors that help determine whether a property is your primary residence include:

- voting,
- vehicle registrations, and
- length of time spent each year on the property.

The Tax Department may also request proof of residency.

** Income eligibility

Eligibility in 2019 is based on income information from the 2017 tax year. Income means federal *adjusted gross income* minus the *taxable amount* of total distributions from IRAs (individual retirement accounts and individual retirement annuities).

Use the following table to identify the line references on **2017** federal and state income tax forms. **Do not** use your 2018 tax forms.

How to calculate your income for STAR

Form number	Title of income tax form	Income for STAR purposes
IRS Form 1040	U.S. Individual Income Tax Return	Line 37 minus line 15b <i>adjusted gross income minus taxable amount (of total IRA distributions)</i>
IRS Form 1040A	U.S. Individual Income Tax Return	Line 21 minus line 11b <i>adjusted gross income minus taxable amount (of total IRA distributions)</i>
IRS Form 1040EZ	Income Tax Return for Single and Joint Filers With No Dependents	Line 4 only <i>adjusted gross income (No adjustment needed for IRAs.)</i>
NYS Form IT-201	Resident Income Tax Return	Line 19 minus line 9 <i>federal adjusted gross income minus taxable amount of IRA distributions</i>

Special eligibility rules

Surviving spouses

You can retain an existing Enhanced STAR benefit if you're at least 62 years old as of December 31 in the year the benefit will continue. Otherwise, you may receive the Basic STAR benefit.

Nursing home residents

If you own your home, you're eligible for Basic or Enhanced STAR, as long as no one other than the co-owner or spouse resides there.

Trusts

If you're a trust beneficiary who conveyed your home to trustees but continues to live in the home, you get the STAR benefit. For example, a senior creates a trust and conveys her home to her children as trustees. If she remains in the home as the beneficiary of the trust, she is considered the homeowner and gets the STAR benefit.

Life estates

Under a life estate, one party has a *life tenancy* (ownership for the rest of his or her life) and another party – the remainderman – will become the owner after the life tenant dies. While the deed may appear to convey ownership to the remainderman, the remainderman will not take title until the death of the life tenant. Therefore, for exemption purposes, the life tenant is deemed to own the property, and STAR eligibility is based on the life tenant's qualifications.

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