



NEW YORK STATE SENATOR

Jack M. Martins

## Senate Votes to Restore STAR Rebate Checks

JACK M. MARTINS June 8, 2012

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### Senator Martins Co-Sponsors Bill

Senator Jack M. Martins co-sponsored a bill (S.7447) to restore the STAR property tax rebate check program. The bill would provide \$202 million in property tax relief to senior citizens in the 2012-13 school year and \$1.2 billion in property tax relief to middle class families starting in 2013-14.

“The STAR rebate check program helps our homeowners who are with the heavy burden of local property taxes. This legislation keeps with our mission of easing the burden on our taxpayers. Putting more money in the hands of our families is a key to improving our economy here on Long Island,” Senator Martins. “We now need the Assembly and the Governor to support reinstating the STAR rebate checks so that our taxpayers can begin receiving much needed relief.”

“We’ve already seen a significant impact from the property tax cap we enacted last year, but we need to do even more to provide relief for property taxpayers,” Senate Majority Leader Dean G. Skelos said. “The state has passed two fiscally responsible budgets that stayed within a two percent spending cap and we should direct the savings to homeowners through rebate checks.”

Property taxpayers saved an estimated \$456 million from the impact of the two percent property tax cap this year, compared to the historical average increase of 4.6 percent.

The median property tax paid nationally is \$1,917, while New Yorkers pay \$3,755, a whopping 96 percent more than the national median in property taxes. New Yorkers pay the highest local taxes in the country as a percentage of personal income, almost 80 percent above the national average.

Under the provisions of the bill, beginning in the 2012-13 school year, senior citizens would receive a rebate check in an amount that equals 25 percent of the current STAR exemption benefit. The benefit would increase to 35 percent of the STAR exemption starting in the 2013-14 school year. Total property tax relief for seniors next school year would be \$202 million.

Basic STAR rebate checks for middle class families would be restored beginning in the 2013-14 school year. The amount of the rebate checks would be determined by income and the local school district tax rate. Total property tax relief would be \$1.2 billion. The income brackets would be as follows:

**For Nassau, Suffolk, Rockland, Westchester, Putnam, Orange, Dutchess counties and New York City:**

\$0 to \$120,000 – 60 percent of the STAR exemption

\$120,001 to \$175,000 – 45 percent

\$175,001 to \$250,000 – 30 percent

The Basic STAR rebate check percentages would remain the same in the 2014-15 school year, but would increase in each of the next two years to 70 percent, 52.5 percent and 35 percent in 2015-16 and to 80 percent, 60 percent and 40 percent in 2016-17.

In any year when there is no appropriation for the rebate checks, senior citizens and middle class taxpayers would be able to claim a property tax credit, equivalent to their rebate check, against their personal income taxes.

The bill was sent to the Assembly.