



NEW YORK STATE SENATOR

Patrick M. Gallivan

## Senate Passes Bill to Compensate Those Affected by Delays in STAR Program

JIM RANNEY February 16, 2017

| ISSUE: **STAR (SCHOOL TAX RELIEF PROGRAM), STAR REBATE CHECK**



Senator Patrick M. Gallivan, (R-C-I, Elma) joined his Senate colleagues on Monday in approving legislation to compensate property taxpayers who are owed money by the state after last year's changes to the School Tax Relief (STAR) program. The bill (S3505) co-sponsored by Senator Gallivan, enables taxpayers who have applied for STAR but who do not receive accurate reimbursement payments from the state in a timely fashion to be paid interest for each day their check is late.

“Delays in issuing checks through the STAR program are unacceptable and have left far too many homeowners frustrated,” Gallivan said. “The state and the Department of Taxation and Finance must work to correct these delays as soon as possible and ensure that hardworking taxpayers receive the rebate they are due.”

Since its enactment, the original STAR program has provided almost \$60 billion in property tax relief to eligible senior and non-senior homeowners. This year alone, total STAR benefits to eligible recipients are estimated to be almost \$3.4 billion.

Last year’s budget changed the current STAR program by phasing out direct payments to school districts on behalf of eligible homeowners and converting STAR exemptions into a refundable property tax credit for new homeowners. The conversion applied to people who purchased their primary residence after the 2015 STAR application deadline or did not apply for the exemption by the 2015 STAR application deadline.

The credit was paid in the form of checks that were supposed to have arrived in the mail by September 30, 2016. However, multiple reports and many constituent complaints indicate that numerous checks arrived late or with the wrong amount of money. The Senate estimates the average basic STAR benefit is \$840 per eligible homeowner and the average senior STAR benefit is \$1,555, and many property owners need that money to pay their taxes on time.

This legislation would require STAR checks to be postmarked by September 15 to allow taxpayers adequate time to pay their school tax bills, and require added interest for any late payment penalty imposed by a school district plus interest of three percent annually for checks postmarked after September 15.

The bill has been sent to the Assembly.

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## 2017-S3505

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- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
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- Delivered to Governor
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Sponsored by **Catharine Young**

Do you support this bill?

NAY