

# Office of the New York State Comptroller

Thomas P. DiNapoli • State Comptroller



## Property Tax Relief Credit

### Frequently Asked Questions

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**Question:** Which entities are covered by the Property Tax Relief Credit Program?

**Answer:** The Property Tax Relief Credit Program applies to all independent school districts as well as the Big Four Cities of Buffalo, Rochester, Syracuse and Yonkers, which have dependent school districts.

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**Question:** Are cities other than those with dependent school districts subject to the Property Tax Relief Credit Legislation?

**Answer:** No. The law applies to property located in independent school districts and property located in cities with a dependent school district outside of New York City.

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**Question:** What responsibility does the Office of the State Comptroller have regarding the Property Tax Relief Credit Program?

**Answer:** The Office of the State Comptroller (OSC) collects certifications from all school districts and the Big Four Cities that are "tax cap compliant." OSC also collects proposed and adopted budget information from these entities, irrespective of whether they are tax cap compliant. In consultation with the New York State Education Department and the New York State Department of Taxation and Finance, OSC determines the form and manner in which school districts and the Big Four Cities will submit the certifications and the time and manner of the submission of the budget information.

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**Question:** What must a school district or Big Four City do in order to qualify its taxpayers for the Property Tax Relief Credit?

**Answer:** For school districts, the adopted budget must not exceed the allowable tax levy limit prescribed by Education Law Section 2023-a. For the Big Four Cities of Buffalo, Rochester, Syracuse and Yonkers, the adopted budget must not exceed the allowable tax levy limit prescribed by General Municipal Law Section 3-c and, if the city has adopted a local law to override the tax levy limit, they must have repealed the override local law.

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**Question:** Who may submit the official certifications to OSC on behalf of the school district or the Big Four City?

**Answer:** For school districts, the CEO (Superintendent) must certify. In the case of a Big Four City, either the CEO or Budget Officer must certify.

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**Question:** Our school district/Big Four City hasn't filed a tax cap form; can we still complete the tax cap compliance certification for the Property Tax Relief Credit Program?

**Answer:** The Property Tax Relief Credit law does not require that a tax cap form be filed with OSC in order for the tax cap compliance form to be submitted for tax relief credit purposes. However, school districts and the Big Four Cities are still required to file tax cap forms with OSC to comply with the tax cap law, in general.

## Property Tax Relief Credit: Frequently Asked Questions

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**Question:** What is the deadline for submitting the tax cap compliance form in order for residents to be eligible to receive property tax relief credits?

**Answer:** According to the legislation, certifications need to be submitted to OSC no later than the 21st day of the fiscal year to which the credit applies. Since the Department of Taxation and Finance is responsible for, among other things, determining the amount of the tax relief credits, OSC will provide information to the Department of Taxation and Finance relating to the entities that have certified as being tax cap compliant.

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**Question:** How long will this program be in effect?

**Answer:** The Tax Relief Credit Program is a four-year program for eligible residents of school districts and the Big Four Cities. The program applies to fiscal years beginning 2016 through 2019.

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**Question:** Is a school district that adopts a contingency budget able to certify as tax cap compliant?

**Answer:** In accordance with advice provided by the Division of Budget, school districts that have a contingency budget can certify as tax cap compliant only if the contingency budget contains a tax levy that is less than or equal to what the calculated tax levy limit was for the district.

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**Question:** For school districts, which amount is being certified as compliant with the tax levy limit? Is it the levy including exclusions and adjustments or is it the levy before exclusions and adjustments?

**Answer:** In accordance with advice provided by the Division of Budget, it is the tax levy limit including adjustments and exclusions.

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**Question:** School district voters approve the budgeted appropriations, but the projected revenue sources could change before the warrants are generated and the final levy is known. How should a school district handle the tax cap compliance certification considering that changes to the levy could still occur after July 21st, the deadline for the tax relief credit certification?

**Answer:** The Property Tax Relief Credit law states that the certification must be made no later than the 21st day of the fiscal year to which it applies. By certifying, school districts are attesting to the accuracy of the statements made, based on information available at the time of the certification. If a school district levies taxes in an amount that exceeds the tax levy limit, the excess levy must be placed in reserve to offset the following year's tax levy. For more information, see:

[http://www.osc.state.ny.us/localgov/pubs/releases/2011\\_12taxcapreserve.pdf](http://www.osc.state.ny.us/localgov/pubs/releases/2011_12taxcapreserve.pdf)



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