

LAWS OF NEW YORK, 2015
CHAPTER 20
PART C
SUBPART B

Section 1. Section 606 of the tax law is amended by adding a new subsection (n-1) to read as follows:

(n-1) Property tax relief credit. (1) An individual taxpayer who meets the eligibility standards in paragraph two of this subsection shall be allowed a credit against the taxes imposed by this article in the amount specified in paragraph three of this subsection for tax years two thousand sixteen, two thousand seventeen, two thousand eighteen, and two thousand nineteen.

(2) (a) To be eligible for the credit, the taxpayer (or taxpayers filing joint returns) on the personal income tax return filed for the taxable year two years prior, must have (i) been a resident, (ii) owned and primarily resided in real property receiving the STAR exemption authorized by section four hundred twenty-five of the real property tax law, and (iii) had qualified gross income no greater than two hundred seventy-five thousand dollars. Provided, however, that no credit shall be allowed if any of the following apply:

(i) Such property is located in an independent school district that is subject to the provisions of section two thousand twenty-three-a of the education law and that has adopted a budget in excess of the tax levy limit prescribed by that section. To render its taxpayers eligible for the credit authorized by this subsection, the school district must certify its compliance with such tax levy limit in the manner prescribed by subdivision two of section two thousand twenty-three-b of the education law.

(ii) Such property is located in a city with a dependent school district that is subject to the provisions of section three-c of the general municipal law and that has adopted a budget in excess of the tax levy limit prescribed by that section. To render its taxpayers eligible for the credit authorized by this subsection, the city must certify its compliance with such tax levy limit in the manner prescribed by subdivision two of section three-d of the general municipal law.

(iii) Such property is located in the city of New York.

(3) Amount of credit. (a) For the two thousand sixteen taxable year (i) for a taxpayer residing in real property located within the metropolitan commuter transportation district (MCTD) and outside the city of New York, the amount of the credit shall be \$130; (ii) for a taxpayer residing in real property located outside the MCTD, the amount of the credit shall be \$185.

(b) For the two thousand seventeen, two thousand eighteen and two thousand nineteen taxable years (i) For a taxpayer who owned and primarily resided in real property receiving the basic STAR exemption, the amount of the credit shall equal the STAR tax savings associated with such basic STAR exemption, multiplied by the following percentage:

(A) for the two thousand seventeen taxable year:

<u>Qualified Gross Income</u>	<u>Percentage</u>
<u>Not over \$75,000</u>	<u>28%</u>
<u>Over \$75,000 but not over \$150,000</u>	<u>20.5%</u>

<u>Over \$150,000 but not over \$200,000</u>	<u>13%</u>
<u>Over \$200,000 but not over \$275,000</u>	<u>5.5%</u>
<u>Over \$275,000</u>	<u>No credit</u>

(B) for the two thousand eighteen taxable year:

<u>Qualified Gross Income</u>	<u>Percentage</u>
<u>Not over \$75,000</u>	<u>60%</u>
<u>Over \$75,000 but not over \$150,000</u>	<u>42.5%</u>
<u>Over \$150,000 but not over \$200,000</u>	<u>25%</u>
<u>Over \$200,000 but not over \$275,000</u>	<u>7.5%</u>
<u>Over \$275,000</u>	<u>No credit</u>

(C) for the two thousand nineteen taxable year:

<u>Qualified Gross Income</u>	<u>Percentage</u>
<u>Not over \$75,000</u>	<u>85%</u>
<u>Over \$75,000 but not over \$150,000</u>	<u>60%</u>
<u>Over \$150,000 but not over \$200,000</u>	<u>35%</u>
<u>Over \$200,000 but not over \$275,000</u>	<u>10%</u>
<u>Over \$275,000</u>	<u>No credit</u>

(c) For a taxpayer who owned and primarily resided in real property receiving the enhanced STAR exemption, the amount of the credit shall equal the STAR tax savings associated with such enhanced STAR exemption, multiplied by the following percentage:

<u>Taxable Year</u>	<u>Percentage</u>
<u>two thousand seventeen</u>	<u>12%</u>
<u>two thousand eighteen</u>	<u>26%</u>
<u>two thousand nineteen</u>	<u>34%</u>

(d) In no case may the amount of the credit allowed under this subsection exceed the school district taxes due with respect to the residence for that school year.

(4) For purposes of this subsection:

(a) "Qualified gross income" means the adjusted gross income of the qualified taxpayer for the taxable year as reported for federal income tax purposes, or which would be reported as adjusted gross income if a federal income tax return were required to be filed. In computing qualified gross income, the net amount of loss reported on Federal Schedule C, D, E, or F shall not exceed three thousand dollars per schedule. In addition, the net amount of any other separate category of loss shall not exceed three thousand dollars. The aggregate amount of all losses included in computing qualified gross income shall not exceed fifteen thousand dollars.

(b) "STAR tax savings" means the tax savings attributable to the basic or enhanced STAR exemption, whichever is applicable, within a portion of a school district, as determined by the commissioner pursuant to subdivision two of section thirteen hundred six-a of the real property tax law.

(c) "Metropolitan commuter transportation district" or "MCTD" means the metropolitan commuter transportation district as defined in section twelve hundred sixty-two of the public authorities law.

(5) If the amount of the credit allowed under this subsection shall exceed the taxpayer's tax for the taxable year, the excess shall be treated as an overpayment of tax to be credited or refunded in accord-

ance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon. For each year this credit is allowed, on or before October fifteenth of such year, or as soon thereafter as is practicable, the commissioner shall determine the taxpayer's eligibility for this credit utilizing the information available to the commissioner on the taxpayer's personal

CHAP. 20

66

income tax return filed for the taxable year two years prior to the taxable year in which the credit is allowed. For those taxpayers whom the commissioner has determined eligible for this credit, the commissioner shall advance a payment in the amount specified in paragraph three of this subsection, which payment shall be issued, to the greatest extent practicable, by October thirty-first of each year the credit is allowed. A taxpayer who has failed to receive an advance payment that he or she believes was due to him or her, or who has received an advance payment that he or she believes is less than the amount that was due to him or her, may request payment of the claimed deficiency in a manner prescribed by the commissioner.

(6) A taxpayer shall not be eligible for the credit allowed under this subsection if the school district taxes levied upon the residence during the taxable year remain unpaid sixty days after the last date on which they could have been paid without interest, or in the case of a school district where such taxes are payable in installments, if such taxes remain unpaid sixty days after the last date on which the final installment could have been paid without interest. If the taxes remain unpaid on such sixtieth day, the amount of credit claimed by the taxpayer under this subsection or the amount of advance payment of credit received by the taxpayer pursuant to paragraph five of this subsection shall be added back as tax on the income tax return for the taxable year in which such sixtieth day occurs.

(7) Only one credit per residence shall be allowed per taxable year under this subsection. When two or more members of a residence are able to meet the qualifications for a qualified taxpayer, the credit shall be equally divided between or among such individuals. In the case of spouses who file a joint federal return but who are required to determine their New York taxes separately, the credit allowed pursuant to this subsection may be applied against the tax of either or divided between them as they may elect.

§ 2. Section 3 of part K of chapter 59 of the laws of 2014, amending the tax law relating to providing an enhanced real property tax circuit breaker, is amended to read as follows:

§ 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2014 and shall expire and be deemed repealed January 1, [2016] 2020.

§ 3. This act shall take effect immediately.