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What You Need to Know About Latest NY Rebate Check

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The windfall keeps coming for New York taxpayers in advance of Election Day. The second round of rebate checks started hitting mailboxes in recent days, Gannett's Albany Bureau reported today.

About 2.8 million checks are going out between now and Election Day, costing the state \$400 million.

Here's some questions and answers about the checks, and if you'll get one:

Am I eligible?

The program is limited by the same eligibility as the state's STAR property-tax exemption: Households with adjusted gross income exceeding \$500,000 are ineligible. It's also available only on a primary residence.

What is it?

Homeowners get a check in the mail for the increase in school property taxes if their district in May stayed under the tax cap, which limits the growth in tax levies to about 1.5 percent a year. It's the first check in a three-year program instituted by Gov. Andrew Cuomo and the Legislature this year to offer incentives to local governments and schools to limit tax increases and find ways to streamline services.

"This year's budget provides tax relief by reimbursing homeowners for the increase in their property taxes if their local government or school district stayed under the state's 2 percent property tax cap," the stub of the check sent by the state Department of Taxation and Finance says.

How much am I getting?

Well, it'll depend on the district, but the tax department is telling people to simply figure out what 1.5 percent of your school tax bill is -- because that's the tax cap limit. So if your school taxes are \$4,000 a year, you'd expect to get back about \$60.

In the state's largest cities, there is no separate school tax bill because schools are funded through the cities' budgets. So for Rochester, Buffalo, Syracuse and Yonkers this fall, homeowners are receiving a check this fall that's equal to about two-thirds of their property tax increase.

Didn't I already get a check from the state?

Perhaps, if you had a kid under 17 in 2012 and met the income eligibility, you should have received a \$350 check -- the tax department sent about 1 million checks.

But that's a separate three-year program. Over the next two years, the \$350 will be issued as an income-tax credit.



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Critics, including Cuomo's Republican opponent, Rob Astorino, say so. Cuomo and all 213 legislative seats are on the Nov. 4 ballot.

"It doesn't address the underlying problem of high local taxes and poor tax policy," said Elizabeth Lynam, deputy director of the business-backed Citizens Budget Commission, which is based in Manhattan.

Cuomo pressed for what he dubbed "the property-tax freeze" as part of the 2014-15 state budget that was passed in March. He said the program adds pressure on municipalities and schools to stay under the tax cap, and in year two pushes them to develop a plan to lower their tax levy by 1 percent a year.

Overall, Cuomo's office estimates the program will provide \$1.5 billion in tax relief to homeowners.

"This is tax relief for New Yorkers now that also incentivizes local governments to cut costs, share services and make the changes needed to keep property taxes down in future years," Cuomo spokesman Richard Azzopardi said. "This is one of many reforms that Gov. Cuomo has made to control and lower taxes in New York and allow this state to shed its reputation as the high-tax capital of the world."

Cuomo's name doesn't appear on the checks; they are signed by the tax department commissioner.

So what happens next year?

For residents to get the rebate checks in years two and three of the program, the local governments have to devise a plan by June to lower their tax levies by 1 percent in each of the next three years. The plan needs approval by the state Budget Division.

Next fall, people will get the largest "freeze" check because it will include both school and municipal taxes, if the entities stayed under the cap.

Towns and counties run a calendar fiscal year while schools and large cities run a budget year that starts July 1.

Cuomo's budget office estimated the average rebate in 2015 would be \$200 upstate and \$580 in New York City's suburbs. Westchester County pays the nation's highest property taxes, so rebate checks there will average at least \$800.

How do I air my grievances if I don't receive a rebate check?

To see if your district stayed under the cap, visit the state's tax cap compliance page.

The tax department is automatically mailing the checks to eligible homeowners. You don't have to do anything. In the coming weeks, the tax department will set up a process to appeal either the check amount or if a homeowner didn't get the check and thinks they should.