

## **How the proposed STAR changes would impact the district**

Governor Paterson is proposing significant changes in the School Tax Relief Program (STAR) program. Enacted in 1997, STAR reduces taxes of New York State residents by exempting a portion of their home's value from school taxes.

Under current law, every primary residence, regardless of how much it is worth, is eligible to receive a STAR exemption benefit. Under the Governor's proposal, the Basic and Enhanced for Seniors exemption programs would remain in place. However, the way they are calculated would change and the value of these school property tax exemptions may be reduced.

As a result, residents in some towns or municipalities may see an increase in how much school taxes they pay even if their school district does not increase its tax levy. Many taxpayers experienced a similar change when the state modified the calculation of the STAR exemption in April 2009.

While the Governor is once again proposing changes in the calculation, the changes are contingent upon legislative approval. As a result, the district will not know the full impact until the proposal is finalized and information becomes available from the State Office of Real Property Services, which sets equalization rates.

The Governor is also proposing to eliminate the exemption benefit for homes valued at \$1.5 million and above.

We will keep you informed about this and other state proposals during our budget development process. Anyone who has questions about STAR should call their town assessor or go online to [www.orps.state.ny.us](http://www.orps.state.ny.us).