



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

2007 MIDDLE CLASS STAR REBATE PROGRAM
FREQUENTLY ASKED QUESTIONS

What is the 2007 Middle Class STAR Rebate Program?

The 2007 Middle Class STAR Rebate Program is an expanded property tax relief program that provides homeowners a benefit in the form of a property tax rebate check. The program provides two types of rebates:

- A Middle Class STAR rebate is available for homeowners who receive the basic STAR exemption on their property tax bill. These homeowners must apply to receive this tax relief, as the amount of the rebate is correlated to the homeowners' income levels. The program provides benefits to taxpayers on a sliding scale based on income, with benefits declining as income exceeds \$90,000 for upstate homeowners and \$120,000 for homeowners in the higher-cost New York City metropolitan region. Taxpayers earning more than \$250,000 are not eligible to receive a check.
- A rebate also is available for homeowners who are senior citizens 65-years or older and receive an enhanced STAR exemption on their property tax bills. No application is necessary. Enhanced STAR recipients will receive their check automatically.
- In either case, the rebate check is in addition to any tax relief homeowners receive as a reduction of their school tax bills under basic or enhanced STAR.

I'd like to get a rebate check. How do I apply?

If you receive the basic STAR exemption on your 2007-2008 school tax bill, you will receive a letter about the 2007 Middle Class STAR Rebate Program from the New York State Department of Taxation and Finance which will provide you with details on how to apply. The deadline to apply for your rebate is **November 30, 2007**. You can apply in one of two ways:

- Go to the Tax Department's Web site, www.nystax.gov, to complete and submit your online rebate application. It is free, fast and secure. You will receive an online confirmation as proof that the Tax Department received your application timely. **This is the quickest way to receive your rebate check.**

OR

- If you can't apply online, use the paper application, form DTF-179, which will be included with the letter provided by the Tax Department. You can also print a blank application from the Department's Web site or obtain an application from your local assessor's office. Complete all of the information and mail to the Tax Department at the address provided on the form.

If you receive enhanced STAR, no application is necessary.

What information do I need to apply for the rebate check?

The application requires only a few simple facts for completion:

- You will need the STAR code for your property, which is included with the letter you receive from the Tax Department. The STAR code is a six-character code, assigned by the Tax Department. This code will make it easy for the Tax Department to identify your property when you apply for your rebate. Simply transfer the STAR code to your online application. If you are using the paper application, the STAR code is already pre-printed on the form we mailed to you.
- You will need the names and social security numbers of all resident property owners and their spouses.
- You will need to verify that you and/or your spouse filed a New York State income tax return for 2005. Simply check the box if you have. (If you and your spouse were not New York State residents in 2005 and were not required to file a 2005 New York State income tax return, you will need the front page of your 2005 Federal income tax return.)

If you receive more than one notification letter and pre-printed application, please review the information on each letter. You should only apply for a rebate for a home that you owned on the date provided on the pre-printed application and that was your primary residence.

How do I qualify for the rebate program?

As a homeowner, you qualify if you:

1. Get the basic STAR property tax exemption for the 2007-2008 school tax year;

You can verify this by finding your basic STAR exemption on your school tax bill (if your home is outside New York City) or on your New York City Department of Finance Statement of Account (if your home is in New York City). If you received the notification letter from the Tax Department with the pre-printed application, you are enrolled in the STAR Program and are receiving a basic STAR exemption on your property tax bill.

2. Had a combined income (for all resident property owners and their spouses) for the 2005 tax year that was no more than \$250,000; and
3. Apply for your rebate with the Tax Department no later than **November 30, 2007**.

You do not qualify for a rebate check if you are a renter, business or for any second home that you may own.

How much will I receive as a rebate?

You can find calculated 2007 Middle Class STAR rebate amounts on the Tax Department Web site at www.nystax.gov.

Rebate amounts are determined based on a combination of factors, including the income bracket for your property, the tax rate for the school district where the property is located, and the city, village or town where the property is located.

The income bracket is determined by the taxpayers' affiliated income, which is the 2005 combined income (federal adjusted gross income less IRA distributions) for all resident property owners and their applicable spouses (whether or not they are owners). The rebate amount is based, in part, on the income bracket, with the rebate benefit declining as affiliated income rises.

The income brackets are:

Property Location	Income Brackets		
New York City Counties of Nassau, Suffolk, Westchester, Rockland, Orange, Dutchess and Putnam	Up to \$120,000	Over \$120,000 and up to \$175,000	Over \$175,000 and up to \$250,000
All other counties	Up to \$90,000	Over \$90,000 and up to \$150,000	Over \$150,000 and up to \$250,000

When will I receive my rebate check?

Letters containing details on how to apply will be mailed beginning in mid-July and through the end of September. Applications will be processed as they are received. Rebate checks will be issued in the names (up to three) of those listed as the resident property owners on the application. The Tax Department will mail rebate checks to the mailing address provided on the application.

Homeowners 65-years or older who get the enhanced STAR rebate will receive their checks automatically beginning this summer. Rebate checks will be issued in the names (up to three) of those listed on the assessment rolls for the eligible property. The rebate checks will be mailed to the address provided from the assessment rolls.

Why didn't I receive a Middle Class STAR rebate notification letter?

You will not receive a notification if:

- You did not own the property on the date that the basic STAR exemption application was due to your assessor for your locality for the 2007-2008 school year.
- You did not apply for a STAR exemption at your local assessor's office by the deadline for the STAR application for your locality for the 2007-2008 school year.
- You are eligible for enhanced STAR. You will automatically receive your rebate check and do not have to apply.

- You moved and did not provide the post office with a forwarding address.
- The post office could not deliver your letter to you based on the address provided to the Tax Department.
- Your name and/or property address were not provided to the Tax Department as being enrolled in the STAR program for the 2007-2008 school year.

I think I qualify, but didn't receive a letter, application or STAR code from the Tax Department. What do I do?

Please contact the Tax Department at 1-877-6-STAR-NY (1-877-678-2769). To get a STAR code, you will need the physical address of the property and property identification information from your tax bill.

- For properties outside of New York City, you will need your SWIS code and parcel numbers. This information is available on your school tax bill or by contacting your local assessor.
- For properties in New York City, you will need the borough, block and lot for the property. This information is available on your New York City Department of Finance Statement of Account or at www.nyc.gov.

If you don't have a pre-printed application, you can get a blank application from the Department's Web site or from your local assessor's office.

Will rebate amounts differ within my neighborhood?

Yes. Homeowners within the same neighborhood may not receive the same Middle Class STAR rebate amount. The amount will differ based on the *affiliated income* for each property and whether the property receives a basic STAR exemption or an enhanced STAR exemption.

Do I have to pay tax on my rebate amount when I file my 2007 income tax return?

Generally no; most New Yorkers will not pay tax on the rebate amount. However, if you itemize your deductions when you file your 2007 income tax return, you will have to deduct the amount of the rebate from your property taxes paid. Also, in the unusual case where your rebate is greater than the property taxes you pay, the excess is considered income and needs to be included on your 2007 income tax return.

How does the Tax Department obtain property information?

The Tax Department receives property information for homeowners enrolled in the STAR Exemption Program from the Office of Real Property Services (ORPS) for properties outside of New York City and from the New York City Department of Finance for properties in New York City.

What is the deadline to apply for a 2007 Middle Class STAR rebate check?

The deadline to apply for your rebate is **November 30, 2007**. Late applicants will not receive a rebate check this year.

You only need to apply one time for the rebate and will not need to apply in future years if property ownership remains the same.

Who do I call with Middle Class STAR rebate questions?

Call the Tax Department at 1-877-6-STAR-NY (1-877-678-2769).

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