***Assessors***

1

**Delinquent Taxes? Say Goodbye to your STAR Benefit!**

The School Tax Relief Program (STAR) is a real property tax benefit provided to taxpayers on their primary residence, so long as the taxpayers remain under a certain income threshold ($500,000 for the STAR Credit, $250,000 for the STAR exemption). The STAR benefit functions to reduce the school real property taxes owed, with the taxpayers that receive the exemption having the amount of the benefit taken off in the first instance, while taxpayers with the credit receive the amount of the benefit in the form of a check from the state.

As part of the 2020-2021 state budget, the state enacted chapter 56 of the laws of 2020, which essentially removes the STAR benefit from any taxpayer that has delinquent taxes. Specifically, delinquent taxes are taxes that remain unpaid one year after the interest-free period expired. For the upcoming school collection cycle, this applies to taxpayers that have delinquent taxes as of the September 2019 school tax collection cycle. If the taxpayer pays the delinquent taxes within 30 days from the date of a letter received from the state notifying the taxpayer of their delinquency, the taxpayer will not lose the benefit. If the delinquent taxes are paid after the 30 days' notice, their benefit can be restored — but only as the STAR credit.

Note that the schedule set forth by the state requires county real property and collecting officers to notify the state of those taxpayers that paid their delinquent taxes in full by the 30-day deadline. After that, the assessors must remove the STAR benefit for those taxpayers whose taxes remain unpaid. If you have any questions regarding this new law, please reach out to Katie Hodgdon at khodgdon@nytowns.org.