

CHENANGO VALLEY CENTRAL SCHOOLS

STAR 2% CAP
LEGISLATION

June 15, 2011



LEGISLATION

Real Property Tax Law section 1306-a, as amended by Part N of Chapter 58 of the Laws of 2011, requires changes be made in how STAR savings are calculated when tax bills are generated.

IMPLICATIONS

- Two main issues to take from these changes are:
 1. The total STAR reimbursement the district may receive is not limited by the 2% cap.
 2. The cap does come into play in calculations on individual tax bills.

STAR EXEMPTIONS

Town	2010-2011 Basic STAR Exemption	2011-2012 Basic STAR Exemption	2010-2012 Enhanced STAR Exemption	2011-2012 Enhanced STAR Exemption
Chenango	\$20,930	\$20,180	\$41,920	\$40,420
Colesville	\$2,280	2,370	\$4,570	\$4,750
Dickinson	\$20,100	\$20,100	\$40,270	\$40,270
Fenton	\$20,250	\$19,800	\$40,570	\$39,670
Kirkwood	\$23,100	\$23,100	\$46,280	\$46,280

2% CAP CALCULATIONS

Town	2010-2011 Basic STAR savings	2011-2012 Basic STAR savings (102% of 10-11)	2010-2012 Enhanced STAR savings	2011-2012 Enhanced STAR savings (102% of 10-11)
Chenango	\$761	\$776	\$1,525	\$1,555
Colesville	\$706	\$720	\$1,415	\$1,443
Dickinson	\$734	\$748	\$1,470	\$1,500
Fenton	\$750	\$765	\$1,504	\$1,534
Kirkwood	\$734	\$748	\$1,470	\$1,499

*** Final STAR savings amounts cannot be accurately calculated until final assessments and equalization rates are available.**

EXAMPLE (without impact)

Known

1. Town of Chenango home valued at \$141,115
2. Assessed at \$94,900
3. Enhanced STAR applies
4. 10-11 tax rate = \$36.3701
5. 10-11 Tax bill of \$1,927
6. Tax levy increase = 3.86%

Assumptions

1. 4% increase in equalization rates for all towns
2. 11-12 estimated tax rate for Town of Chenango is \$37.7730

Result

1. STAR savings is less than the cap so there is no impact on the tax bill

	No Cap	2% Cap
Tax before STAR	\$3,585	\$3,585
STAR Savings	\$1,527	\$1,555
Net Tax Bill	\$2,058	
\$ Increase	\$131	
% Increase	6.80%	

EXAMPLE (with impact)

Known

1. Town of Colesville home valued at \$127,658
2. Assessed at \$10,085
3. Basic STAR applies
4. 10-11 tax rate = \$309.605
5. 10-11 Tax bill of \$2,417
6. Tax levy increase = 3.86%

Assumptions

1. 4% increase in equalization rates for all towns
2. 11-12 estimated tax rate for Town of Colesville = \$321.5476

Result

1. STAR savings exceeds the cap so the tax bill will show the capped STAR savings

	No Cap	2% Cap
Tax before STAR	\$3,243	\$3,243
STAR Savings	\$762	\$720
Net Tax Bill	\$2,481	\$2,523
\$ Increase	\$64	\$106
% Increase	2.65%	4.39%

RESOURCES

- **General Information**

- www.cvcasd.stier.org

- Community

- Tax Information

- **STAR Information**

- www.orps.state.ny.us/star/index.cfm

- **Understanding the Equalization Rate**

- www.orps.state.ny.us/pamphlet/under_eqrates.htm