

Facts About Real Property Tax Exemptions



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North
Hempstead**



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PROPERTY TAX EXEMPTIONS

When you receive an exemption, all or part of your property's assessed value is subtracted before calculating the taxes owed. Properties that pay no taxes are wholly exempt. Properties which pay some, but not all taxes are partially exempt. Some exemptions are local-option. That means the county, town, school district and village can decide whether to grant those exemptions or can set their own eligibility standards.

We at the Town of North Hempstead are working hard to let you know different ways to lower your tax payment. We do NOT set your property taxes; however, we will do everything in our power to be sure that you do not pay more than your fair share.

REMINDER: Please contact the Department of Assessment before you change the name on your deed or certificate of shares or are changing your place of residence to ensure that you are not jeopardizing your property exemptions.

NEW YORK STATE SCHOOL TAX RELIEF PROGRAM (STAR)

The STAR program provides an exemption from school property taxes for owner-occupied primary residences. This is a state-financed exemption. Senior citizens meeting specific income criteria are eligible for "Enhanced" STAR. All other primary-residence homeowners in North Hempstead are eligible for the "Basic" STAR program. Mixed – use properties (i.e. combined business and residential properties) which are owner-occupied are also eligible for a STAR exemption.

The new State Budget has established a **2% cap on increases to STAR savings**. Beginning with the 2011-2012 School

Tax bills, tax dollar savings for both Basic and Enhanced STAR are not permitted to exceed 2% from the previous year. Please be aware that as a result of a law approved by the State Legislature, your school tax rate multiplied by your STAR exemption amount may no longer equal your STAR savings, if that amount exceeds 2% of your prior year savings.

BASIC STAR PROGRAM

The Basic STAR exemption is for all homeowners, regardless of age or income. To be eligible, persons must own and live in a one, two, or three-family residence, mobile home, condominium, or cooperative apartment.

ENHANCED STAR PROGRAM

The Enhanced STAR is available to senior citizen homeowners who are 65 years of age or older during the year in which the exemption takes effect, and whose Federal Adjusted Gross Income (AGI) less any taxable IRA distributions does not exceed \$79,050*. Senior citizens whose AGI exceeds \$79,050* will still be eligible for the Basic STAR exemption. If the property is owned by a husband and wife, only one has to be 65 or older with a combined AGI not exceeding \$79,050*. If you file a NYS Income Tax Return, you may have your income verified for the exemption by the NYS Department of Taxation and Finance and renewed every year based on financial eligibility. Low-Income seniors who receive the Senior Citizens' exemption automatically qualify for the Enhanced STAR exemption.

** Income subject to change annually.*

SENIOR CITIZENS' REAL PROPERTY TAX EXEMPTION

Eligible seniors can receive a property tax reduction of five to fifty percent on county, town and school taxes, (excluding special districts), if the combined annual income of

the property owners is within the range specified by state law. The fifty percent exemption applies to persons whose income is up to \$29,000*. The lesser exemptions apply to persons whose income is under \$37,400*.

All income counts toward eligibility, not just the amount reported on income tax returns. Social Security and non-taxable income count as income under this state law. Income does not include welfare payments, supplemental security income, gifts, or inheritances. Un-reimbursed medical expenses and un-reimbursed prescription drugs are "deductible" from the total income as is Veterans Disability Compensation.

To qualify, all owners must be 65 or older, except if a husband and wife apply, only one needs to be 65, but both incomes must be counted, even if only one spouse owns the property. Siblings may also be owners of the property; at least one of those persons must be age 65. As with married couples, all of the income of all of the owners is applied to determining the total income.

The senior citizens' exemption is a local-option law. As such, the income level for eligibility, as well as allowing deductions for un-reimbursed medical expenses, un-reimbursed prescription expenses, and veterans disability compensation may vary from one school district to another.

For a more complete explanation of what is required to verify income, please see the application.

** Income subject to change annually.*

EXEMPTION FOR PERSONS WITH DISABILITIES AND LIMITED INCOME



This exemption is similar to the senior citizen exemption, using the same income requirements*, residency and ownership. However, an individual's age is not a factor in deter-

mining eligibility for the exemption. To be eligible, an applicant must have a physical or mental impairment, not due to current use of alcohol or illegal drug use. The impairment must substantially limit that person's ability to engage in one or more major life activities, such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning or working.

The applicant must submit one of the following: An award letter from the Social Security Administration or Railroad Retirement Board certifying the applicant's eligibility to receive Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI) or a U.S. Postal Service disability pension. A certificate from the State Commission for the Blind and Visually Handicapped stating that the applicant is legally blind. If the award letter or certificate states that the applicant's disability is permanent, there is no need to re-file evidence of disability for renewal.

** Income subject to change annually.*

VETERANS' EXEMPTIONS

Veterans' exemptions apply to county, town, and highway taxes, but not to school or special district taxes. There are three types of veteran exemptions available; the **Alternative Veterans' Exemption**, the **Eligible Funds Exemption**, and the **Cold War Veterans' Exemption**.



The Alternative Veterans' Exemption is based upon a person's service during wartime, service in a combat area, and the degree of a service-connected disability, if any. The law is optional with each local government. Nassau County adopted an alternative property tax exemption for Gold Star Parents. A Gold Star is defined as the parent of a child who died in the line of duty while serving in the United

States Armed Forces during a period of war.


Many veterans receive exemptions under an old law based on the money they received due to their military service. Veterans who are now receiving an **Eligible Funds Exemption** may continue to add to it by filing supplemental applications if they receive additional eligible funds. Veterans may continue the Eligible Funds Exemption or they may switch to the newer Alternative Veterans' Exemption if they feel it would be more beneficial. Once a veteran switches to the Alternative Veterans' Exemption, he/she cannot switch back to the Eligible Funds Law unless he/she moves to someplace in New York State which has opted not to provide the Alternative Veterans' Exemption.



The Cold War Veterans' Exemption provides a partial property tax exemption (as adopted by the municipality) to veterans who served during the cold war period. The law also provides an additional exemption to disabled veterans, equal to one-half of their service connected disability ratings. The basic exemption is limited to ten years, but there is no time limit for the disabled portion of this exemption. In both instances, the exemption is limited to the primary residence of the veteran.

VOLUNTEER FIREFIGHTERS & AMBULANCE CORPS



It provides property tax reduction to qualified volunteer firefighters and volunteer ambulance corps personnel, and property must be the primary residence. Applicant must have five years of certified service and reside in the Town of North Hempstead. Those with more than 20 years of service may qualify for a lifetime exemption,  which will not require the volun-

teer to reapply each year. In Nassau County, the exemption equals 10% of the assessed value of the property.

HOME IMPROVEMENT



The home improvement exemption is an eight-year decreasing exemption on alterations, reconstruction or property improvements that increase the assessed value of a one or two family home. Exemptions apply to county, town and special district taxes. School districts may opt out of this exemption. The value of the home improvement must be at least \$3,000 and is limited to \$80,000 in increased market value. The exemption applies only to the house, not to out buildings like sheds or to accessory improvements such as swimming pools. To be eligible, the greater portion of the original structure after reconstruction must be at least five years old.

PHYSICALLY DISABLED TAX REDUCTION PROGRAM FOR HOME IMPROVEMENTS

This exemption applies only to taxes levied by or on behalf of the county, town or school district granting the exemption. The exemption does not apply to special district levies. The exemption is equal to the amount of any increase in value of property attributable to improvements made for the purpose of facilitating and accommodating the use and accessibility of the property by (a) a resident owner of the property who is physically disabled or (b) a member of the resident owner's household who is physically disabled, if the member of the household resides on the property. The property must be a one, two, or three family residence. The exemption stays on the property as long as the disabled person lives there.

FIRST TIME HOME BUYERS – NEW HOME

This exemption is a five year decreasing exemption for first time home buyers of a

newly constructed home. In the first year, half of the sales price of the home is used as the exempt amount. The exemption decreases incrementally in years two thru five (50, 40, 30, 20, and 10). Applicants need to prove residency and must not have owned a home/vacation home within three years of the purchase. There are caps on the applicant's income and the purchase price of the home.

FIRST TIME HOME BUYERS - EXISTING HOME



First time home buyers of an existing home may apply for this five year decreasing exemption. Applicants need to prove residency and must not have owned a home/vacation home within three years of the purchase. The exemption is for home improvements that add taxable assessed value to the home. To be eligible, applicants need to contract for the work within the first three months of the sale date. The minimum amount of the work done to the home is \$3,000 and there is no maximum. In the first year, half of the home improvement is used as the exempt amount. The exemption decreases incrementally in years two-five (50, 40, 30, 20, and 10).

Applications for all property tax exemptions can be obtained at:

Nassau County

Department of Assessment

**240 Old Country Road, 4th Floor
Mineola, NY 11501**

**Telephone: (516) 571-1500
www.mynassauproperty.com**

**FILING DEADLINE IS
JANUARY 2, 2012**

The Receiver of Taxes does not set your property taxes; however, we will do everything in our power to be sure that you do not pay more than your fair share.