

# Tax Freeze Credit

Homer Central School District  
Budget Presentation  
March 24, 2015

# How do I qualify for a Tax Freeze Credit in Fall 2015?

- A homeowner will receive a tax freeze credit (rebate check) for school taxes in the second year of the program if: 
  - The homeowner meets the requirements for the STAR property tax exemption.
  - The homeowner's primary residence is in a school district that has complied with its property tax levy cap for the 2015-16 school year.

And

- The school district in which the residence is located submits a Government Efficiency Plan by June 1, 2015, that is approved by the state Division of Budget. The efficiency plan must identify ways the district has saved or plans to achieve savings through cooperation agreements, shared services, mergers or other efficiencies.

# Government Efficiency Plan

The Homer Central School District is currently working with all OCM BOCES on a combined Government Efficiency Plan .

North Syracuse CSD is acting as the Lead Agency with the plan for the Districts. The BOE will be provided with a copy of the plan when finished prior to the June 1, 2015 deadline.

# How much will a homeowner receive as a tax freeze credit in Fall 2015?\*

- [?] The actual increase in the homeowner's tax bill – i.e., the difference between a homeowner's 2015-16 and 2014-15 school tax bills.

Or

- The previous year's tax bill (2014-15 tax bill) multiplied by an inflation factor (the lesser of 2% or the most current change in the consumer price index). The inflation factor used in this calculation is 1.62 %.

If the homeowner's school district did comply with its tax levy cap in Year 1, the tax freeze credit for school taxes in Year 2 will be the same as above (the actual increase in the homeowner's tax bill or the previous year's tax bill multiplied by an inflation factor, whichever is greater) PLUS the credit amount received in Year 1.

#### Example

For a homeowner in a district that did comply in Year 1

2014 Rebate to Homeowner = \$50

2014-15 Tax Bill = \$2,550

2015-16 Tax Bill = \$2,625

Actual Increase in Taxes = \$75

CPI up to 1.62% of 14-15 Tax Bill = \$43

2015 Rebate to Homeowner: \$50 + \$75 = \$125

(Year 1) (Year 2)



Again, even if a homeowner's tax bill did not increase (i.e., it went down or stayed the same), the homeowner will receive a tax freeze credit using this inflation factor calculation.



Questions?