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Frequently Asked Questions

Q: *What is an assessment?*

A: A property's assessment is a percentage of its market value. Market value, as defined by the International Association of Assessing Officers, is the "most probable price expressed in terms of money that a property would bring if exposed for sale in the open market. The sale should be in an arm's-length transaction between a willing seller and a willing buyer, both of whom are knowledgeable concerning all the uses to which the property is adapted and for which it is capable of being used."

Q: *Do I qualify for any kind of real property tax exemption?*

A: Currently the Town of Otego participates in several exemption programs; such as the School Tax Relief (STAR) Credit, Veterans, Clergy, Aged, Farm and Business Commercial Exemptions. For a complete listing and description of all exemptions, and their application forms, please visit:

<http://www.tax.ny.gov/pit/property/exemption/index.htm>

Q: *As a Veteran, what kind of exemption am I eligible to receive?*

A: You may be eligible to receive a Wartime, Combat, or Cold War Veteran's exemption if you served during certain times and places in the Armed Forces of the United States. You may also be eligible to receive an additional exemption if you have a service-connected disability. Please note that the veteran's exemption does not apply to school taxes and it only grants 50% of the V.A. disability rating.

Q: *As a Senior Citizen, do I qualify for an exemption?*

A: Senior citizens that meet income, age, and residency requirements may qualify for an aged exemption. You must be 65 years of age and must have resided in your property for a minimum of 12 consecutive months prior to submitting your application. This exemption, which applies to both real property and school taxes, allows up to 50% reduction on tax bills if an annual household income is under \$18,000. Additionally, the Town of Otego has recently approved a resolution that extends our senior citizens exemption. This program allows seniors who earn under \$26,400 to qualify for the sliding scale exemption. Please also note that new State legislation now requires Senior Citizens exemption recipients to file a separate application for the Enhanced STAR exemption; in addition, form RP-425-IVP (Income Verification Program) must be filed to receive both the Enhanced STAR and the Senior Citizens exemptions. Because different municipalities have different eligibility criteria, you should contact your local Assessor regarding further information and deadlines.

Q: *What is STAR?*

A: The School Tax Relief (STAR) is a program that provides partial exemption from school property taxes for owner-occupied primary residences. There are two kinds of STAR exemptions: Enhanced and Basic.

Q: What is School Tax Relief (STAR) Credit?

A: New STAR applicants will no longer receive an exemption in their school tax bill; instead, they will receive a credit in the form of a check directly mailed to you from New York State. The amount of the check will be the same as the former STAR exemption.

Q: As a Senior Citizen, do I qualify for the Enhanced STAR exemption:

A: For the 2025-2026 Enhanced STAR exemption cycle; which exempts up to \$78,120 of the full market value of a home, the 2023 maximum household adjusted gross income (AGI) for senior citizens 65 years of age or older, cannot exceed \$107,300.

Q: I will turn 65 years old after the March 1st deadline. Do I still qualify?

A: Yes, as long as you turn 65 before December 31st of the same year.

Q: I don't qualify for the Enhanced STAR. Do I qualify for the Basic STAR exemption?

A: Yes. The Basic STAR, which exempts up to \$27,900 of the full market value of a home applies to any homeowner regardless of age, as long as they reside in said legal and primary residence. In addition, the total household income must not exceed \$500,000.

Q: I currently have a Basic STAR exemption. Do I still have to register with the State to upgrade to an Enhanced exemption?

A: No. If you presently have a Basic STAR exemption and have purchased your home before 2025, you have to upgrade your exemption with your local Assessor.

Q: What other documentation do I need to bring with my Enhanced STAR application?

A: If you are applying for the first time, you need to register with the State. However, if you are upgrading from Basic to Enhanced, you are required to bring a photocopy of your 2023 income tax return, as well as proof of your age and home ownership.

Q: I already have an Enhanced STAR exemption. Do I still have to renew it every year?

A: No. Under new State legislation, you are now required to participate in the Income Verification Program (IVP). This program allows recipients of the Enhanced STAR exemption to automatically renew their annual application through the New York State Department of Taxation and Finance. Form RP-425-IVP must be filed along with the Enhanced STAR application. Please contact your local Assessor for further details.

Q: How do I apply for either the Basic or Enhanced STAR Credit?

A: It is recommended that you visit: <https://www.tax.ny.gov/pdf/star/rp-5310-fs.pdf> in order to receive further instructions before you register. Your actual registration, with the New York Department of Taxation and Finance, takes place by either, visiting www.tax.ny.gov/star or by calling (518) 457-2036.

Q: I have been granted a Basic STAR exemption. Do I need to renew it every year?

A: No. The Basic STAR exemption does not have to be renewed.

Q: Is there a deadline by which I must file the application forms?

A: Yes. The annual deadline for all exemption applications is always March 1st. However, different municipalities may have different deadlines; this is why you should contact your local Assessor for further information.

Q: Where can I get the exemption application forms?

A: Your local Assessor's office, located in the Town Municipal Building, has application forms available. You may also download these applications from the New York State Office of Real Property Tax Services' webpage at <http://www.tax.ny.gov/forms/orpts/exemption.htm>

Q: Where can I go with additional questions?

A: The Assessor is continually communication with the public, answering questions and dealing with concerns raised by taxpayers. You may reach the Assessor at the Town Hall, 3526 State Highway 7, Otego, New York 13825 or by calling (607) 988-2682. You may also visit the New York State Department of Taxation and Finance at www.tax.ny.gov.