§ 1903-a. Optional homestead and non-homestead tax rates in eligible split tax districts. 1. Notice of intent. (a) The governing body of an eligible split tax district which intends to establish homestead and non-homestead tax rates shall file a notice of intent to establish homestead and non-homestead tax rates with each assessor who prepares an assessment roll used in whole or in part for the levy of taxes by such tax district. The notice shall be filed with each assessor on or before the taxable status date of the first assessment roll to which homestead and non-homestead tax rates may apply. A copy of the notice of intent shall also be filed with the county director of real property tax services.

(b) The governing body of a school district or village which expects one or more cities or towns within the school district or village to adopt local laws pursuant to section nineteen hundred three of this article and thereby render the school district or village an eligible split tax district and which intends to establish homestead and non-homestead tax rates is authorized to and shall file the notice of intent required by paragraph (a) of this subdivision.

(c) The governing body of an eligible split tax district which has filed a notice of intent pursuant to this subdivision and which does not intend to establish homestead and non-homestead tax rates may cancel such notice of intent, provided that such cancellation shall not prohibit a subsequent filing of the notice of intent. A copy of such cancellation shall be filed with the appropriate assessors and county director of real property tax services.

2. Classification of assessment rolls; assessor certification. Upon receiving notice pursuant to subdivision one of this section, each assessor who prepares an assessment roll used in whole or in part for the levy of the taxes by such eligible split tax district shall classify in either the homestead or non-homestead class each property listed on such roll or on the part thereof applicable to such tax district. Such classification of individual properties shall be subject to administrative and judicial review pursuant to title one-A of article five and title one of article seven of this chapter. Upon completion and filing of a final assessment roll classified pursuant to this subdivision, the assessor shall certify to the authorities of the tax

district the total assessed value and total taxable assessed value of the real property subject to taxation for purposes of the tax district in the homestead and non-homestead class, respectively, as determined from such assessment roll or part thereof applicable to the tax district. The classification and certification requirements of this subdivision shall apply until the governing body of an eligible split tax district either cancels the notice of intent to establish homestead and non-homestead tax rates pursuant to subdivision one of this section or rescinds a resolution adopting the provisions of this section pursuant to subdivision five of this section.

3. Adoption. The governing body of an eligible split tax district which has filed a notice of intent pursuant to subdivision one of this section may adopt the provisions of this section by resolution, following a public hearing, at any time prior to the levy of the district's taxes. Prior notice of such hearing shall be published at least once in a newspaper having general circulation in the tax district and shall be provided to the governing body of each city and town located wholly or partially within the tax district. Adoption of such resolution shall require use of homestead and non-homestead tax rates calculated pursuant to subdivision four of this section for all subsequent tax levies until such resolution is rescinded as provided in subdivision five of this section. A copy of such resolution shall be filed with the body, officer or employee that computes the tax rates and the county director of real property tax services.

4. Calculation of tax rates. (a) Equalization by class. The tax authorities shall determine for the homestead and non-homestead classes, respectively, the total full valuation and total taxable full valuation of the real property subject to taxation for district purposes in each city or town or part thereof included within the tax district. The total full valuation of a class in a city or town or part thereof shall be computed by dividing the total assessed value of the property in the class by the state equalization rate or special equalization rate prescribed in section thirteen hundred fourteen of this chapter. The total taxable full valuation of a class in a city or town or part thereof shall be computed by dividing the total taxable assessed value

of the property in the class by the state equalization rate or special equalization rate prescribed in section thirteen hundred fourteen of this chapter.

(b) Aggregate tax district homestead and non-homestead proportions. The governing body of the tax district shall establish by annual resolution an aggregate tax district homestead proportion and an aggregate tax district non-homestead proportion. The aggregate tax district homestead proportion shall be computed by dividing the aggregate taxable full valuation of the real property in the homestead class in the tax district as a whole by the aggregate taxable full valuation of the real property in both the homestead and non-homestead classes in the tax district as a whole. The aggregate tax district non-homestead proportion shall be computed by subtracting the aggregate tax district homestead proportion from the whole number one.

(c) Aggregate homestead and non-homestead tax shares. The governing body of the tax district shall determine by annual resolution the percentage of the tax levy to be allocated to each class in the tax district as a whole by establishing an aggregate homestead tax share and an aggregate non-homestead tax share. The aggregate homestead tax share shall be no less than seventy-five percent and no more than one hundred percent of the aggregate tax district homestead proportion, subject to the following constraints:

(i) the aggregate non-homestead tax share shall not exceed one hundred twenty-five percent of the aggregate tax district non-homestead proportion;

(ii) where more than fifty-seven and one-half percent of the aggregate taxable full valuation of the real property in the non-homestead class in the eligible split tax district which is a school district as a whole is attributable to non-homestead real property located in one or more city or town approved assessing units which have in effect a local law adopted pursuant to section nineteen hundred three of this article, the aggregate non-homestead tax share shall not exceed the non-homestead base proportion, adjusted non-homestead base proportion or locally adjusted non-homestead proportion certified pursuant to subdivision seven of such section nineteen hundred three or where the eligible split tax district which is a school district is located in more than one such city or town, an average of such proportions weighted by the total

taxable full valuation of the non-homestead class in each such city or town or part thereof within the eligible split tax district which is a school district; and

(iii) the sum of the aggregate homestead and non-homestead tax shares shall equal one hundred percent.

The governing body of the tax district shall certify the aggregate homestead and non-homestead tax shares to the body, officer or employee that computes the tax district's tax rates.

(d) Apportionment by class. The body, officer or employee that computes the tax district's tax rates shall allocate to the homestead and non-homestead classes in the tax district as a whole, respectively, a share of the amount to be raised equal to the applicable aggregate homestead or non-homestead tax share. The amount to be raised from each such class in the tax district as a whole shall then be apportioned separately among the cities or towns or parts thereof in which the tax district is located in proportion to the percentage that the total full valuation of the class in each such city or town or part thereof bears to the aggregate total full valuation of the class in the tax district as a whole. The amount so apportioned to each class in each city or town shall be the amount to be raised from that class in that city or town.

(e) Class tax rates. The body, officer or employee that computes the tax district's tax rates shall compute a tax rate for the homestead class and a separate tax rate for the non-homestead class for each city or town or part thereof in which the tax district is located. The tax rate for a class in a city or town or part thereof shall be computed by dividing the amount to be raised from the class in that city or town by the total taxable assessed value of the real property in the class in that city or town or part thereof as entered on the final assessment roll used for the levy of the tax district's taxes.

(f) Correction and review. The equalization and apportionment required by this subdivision shall be subject to correction and review to the extent practicable as provided in section thirteen hundred fourteen of this chapter.

5. Rescission. The governing body of the tax district may rescind a resolution adopting the provisions of this section, without a public hearing, at any time prior to the levy of taxes for the fiscal year to

which such resolution is applicable. A copy of such resolution shall be filed with the body, officer or employee that computes the tax district's tax rates, each assessor who prepares an assessment roll used in whole or in part for the levy of the tax district's taxes and the county director of real property tax services.

6. Expiration. A notice of intent shall expire if the governing body fails to adopt the provisions of this section within one year after filing the notice of intent. Upon the expiration of a notice of intent, the classification requirements of this section shall cease to be applicable, but may be reinstated by the filing of a new notice of intent.