

No. 2016-89

AN ACT

HB 806

Amending the act of December 19, 1974 (P.L.973, No.319), entitled "An act prescribing the procedure under which an owner may have land devoted to agricultural use, agricultural reserve use, or forest reserve use, valued for tax purposes at the value it has for such uses, and providing for reassessment and certain interest payments when such land is applied to other uses and making editorial changes," further providing for land devoted to agricultural use, agricultural reserve, and/or forest reserve, for responsibilities of department and for responsibilities of county assessor in establishing use values.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 3 of the act of December 19, 1974 (P.L.973, No.319), known as the Pennsylvania Farmland and Forest Land Assessment Act of 1974, is amended by adding a subsection to read:

Section 3. Land Devoted to Agricultural Use, Agricultural Reserve, and/or Forest Reserve.—* * *

(a.2) Land area that is burdened by a public or private road, right-of-way or easement shall be included in determining whether the condition for minimum contiguous area required under subsection (a) has been met.

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Section 2. Section 4.1(c) of the act, added December 21, 1998 (P.L.1225, No.156), is amended to read:

Section 4.1. Responsibilities of Department.—* * *

(c) By June 30, 1999, and by May 1 of each year thereafter and in consultation with the Bureau of Forestry of the Department of Conservation and Natural Resources, the department shall establish and provide to all county assessors *county-specific* use values for land in forest reserve.

Section 3. Section 4.2 of the act is amended by adding subsections to read:

Section 4.2. Responsibilities of County Assessor in Establishing Use Values.—* * *

(b.1) (1) Except as provided in paragraph (2) and subject to the provisions of subsections (c), (c.1), (c.2), (c.3) and (c.4), for any county in which preferential assessment of land enrolled in forest reserve is based on county-specific values established by the department under section (4.1)(c), a county assessor may apply a use value for land enrolled in forest reserve that equals the average of all subcategories of forest reserve use values established by the department.

(2) Subject to the provisions of subsections (c), (c.1), (c.2), (c.3) and (c.4), if a landowner provides a statement defining the predominate forest classification type on the enrolled land, the county assessor shall apply to that land the value established for that forest type.

* * *

(c.1) A county assessor shall apply the use values in effect on the effective date of this subsection until such time as a countywide reassessment of real property values is implemented.

(c.2) Subject to the limitation in subsection (c.4), a county assessor shall recalculate and apply for the year in which a countywide reassessment of real property values is being implemented use values for land in each land use category using the criteria established under subsections (a), (b) and (c). The use values determined by the county assessor under this subsection in the year that a countywide reassessment of real property values is implemented shall be applied as follows:

(1) to all properties enrolled in preferential assessment in the year of the countywide reassessment;

(2) to each application for preferential assessment filed with the county assessor in the year of the countywide reassessment; or

(3) to all land enrolled in preferential assessment for the years following a countywide reassessment until a subsequent countywide reassessment of real property values is implemented.

(c.3) The use value applied to land under subsection (c.1) or (c.2) may not be changed for any property until such time as a subsequent countywide reassessment of real property values is implemented, unless there is a reclassification of land or portion of land to a different land use category as otherwise provided for under this act, in which case the use value to be applied to that land or portion of land shall be the use value applicable to the particular land use category for which the land was reclassified.

(c.4) (1) A county assessor may not, under any circumstances, establish or apply a use value to any land enrolled as agricultural use, agricultural reserve or forest reserve:

(i) that is greater than the assessment value that would apply to the land if the land were not enrolled in preferential assessment; or

(ii) that is greater than the county-specific use value applicable to that land established by the department under section (4.1).

(2) A county assessor shall apply the lower of the values under clause (i) or (ii), or a value established under subsection (c).

Section 4. This act shall take effect January 1, 2016, or immediately, whichever is later.

APPROVED—The 20th day of July, A.D. 2016

TOM WOLF