

## AMENDMENTS TO HOUSE BILL NO. 1439

Sponsor: REPRESENTATIVE PASHINSKI

Printer's No. 1950

1 Amend Bill, page 1, lines 6 and 7, by striking out all of  
2 said lines and inserting

3 Section 1. Section 8811(a) of Title 53 of the Pennsylvania  
4 Consolidated Statutes is amended and subsection (b) is amended  
5 by adding a paragraph to read:

6 Amend Bill, page 1, line 9, by striking out all of said line  
7 and inserting

8 (a) Subjects of taxation enumerated.--Except as provided in  
9 subsection (b), all subjects and property made taxable by the  
10 laws of this Commonwealth for county, city, borough, town,  
11 township and school district purposes shall, as provided in this  
12 chapter, be valued and assessed at the annual rates, including  
13 all:

14 (1) Real estate, namely:

15 (i) houses;

16 (ii) house trailers and mobile homes permanently  
17 attached to land or connected with water, gas, electric  
18 or sewage facilities;

19 (iii) buildings permanently attached to land or  
20 connected with water, gas, electric or sewage facilities;

21 (iv) lands, lots of ground and ground rents, trailer  
22 parks and parking lots;

23 (v) mills and manufactories of all kinds, furnaces,  
24 forges, bloomeries, distilleries, sugar houses, malt  
25 houses, breweries, tan yards, fisheries, ferries and  
26 wharves;

27 (vi) all office buildings;

28 (vii) that portion of a steel, lead, aluminum or  
29 like melting and continuous casting structure which  
30 encloses or provides shelter or protection from the  
31 elements for the various machinery, tools, appliances,  
32 equipment, materials or products involved in the mill,  
33 mine, manufactory or industrial process; and

34 (viii) telecommunication towers that have become  
35 affixed to land.

36 (1.1) Rights held pursuant to a lease or other agreement

1 subject to the act of July 20, 1979 (P.L.183, No.60),  
2 entitled "An act regulating the terms and conditions of  
3 certain leases regarding natural gas and oil," to extract,  
4 remove or recover gas, including natural gas, or oil shall be  
5 subject to taxation as real estate for all county, city,  
6 borough, town, township and school district purposes. The  
7 rights shall be assessed and taxed separately from the  
8 surface property assessment, in the name of the holder of  
9 such rights, and valued in accordance with section 8842(d)  
10 (relating to valuation of property). The following apply:

11 (i) A political subdivision shall retain one-half of  
12 the revenues collected under this paragraph and shall  
13 remit the remainder of the revenues to the State  
14 Treasurer who shall allocate the moneys received as  
15 follows:

16 (A) Twenty-five percent shall be deposited in  
17 the Motor License Fund for costs of public highway  
18 and bridge construction.

19 (B) Twenty-five percent shall be deposited in  
20 the Public Transportation Trust Fund for mass transit  
21 programs.

22 (ii) The provisions of this paragraph are not  
23 intended, nor shall they be construed, to affect any  
24 other determination, including, but not limited to, the  
25 determination of royalty due under mineral leases.  
26 Notwithstanding any other provision of law, any tax  
27 imposed by this chapter shall not reduce any royalty  
28 payments due under mineral leases, and the producer under  
29 a mineral lease may not recover any portion of the tax  
30 paid from the royalty owner through other means of  
31 deduction or reallocation, notwithstanding any provision  
32 in the lease, contract or agreement.

33 (2) All other things now taxable by the laws of this  
34 Commonwealth for taxing districts.

35 Amend Bill, page 2, by inserting between lines 3 and 4

36 Section 2. Section 8842 of Title 53 is amended by adding a  
37 subsection to read:

38 § 8842. Valuation of property.

39 \* \* \*

40 (d) Gas and oil leases.--The valuation of rights held  
41 pursuant to a lease or other agreement subject to the act of  
42 July 20, 1979 (P.L.183, No.60), entitled "An act regulating the  
43 terms and conditions of certain leases regarding natural gas and  
44 oil," to extract, remove or recover gas, including natural gas,  
45 or oil shall be developed by the county assessor utilizing the  
46 income approach to value based upon the discounted value of the  
47 rights, supplemented by the sales comparison data approach as  
48 deemed necessary by the county assessor. The lessee or operator,  
49 or lessor on behalf of the lessee or operator, shall annually,

1 no later than July 1, provide the county assessor with such  
2 nonproprietary lease and lease income information as the  
3 assessor determines is reasonably needed to determine value. The  
4 board may change the assessed valuation of the rights in the  
5 event information becomes available that would significantly  
6 affect the valuation, including, but not limited to,  
7 commencement of production on or near the property and the  
8 depletion of the hydrocarbon gas subject to the lease and  
9 related production.

10 Amend Bill, page 2, line 4, by striking out "2" and inserting

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