
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1056 Session of
1973

INTRODUCED BY MESSRS. KENNEDY, WEIDNER, THOMAS, R. W. WILT,
DeVERTER, GRIECO, KLINGAMAN, C. S. SMITH, BRANDT, FOOR,
SHUMAN, ZELLER, MORRIS, PIPER, ANDERSON, YAHNER, A. C. FOSTER
JR., DREIBELBIS, TURNER, MCGINNIS AND BIXLER, MAY 30, 1973

SENATOR STAPLETON, AGRICULTURE, IN SENATE, AS AMENDED
SEPTEMBER 10, 1974

AN ACT

1 Prescribing the procedure under which an owner may have land
2 devoted to agricultural use, agricultural reserve use, or
3 forest reserve use, valued for tax purposes at the value it
4 has for such uses, and providing for reassessment and certain
5 interest payments when such land is applied to other uses.

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

8 Section 1. Short Title.--This act shall be known and may be
9 cited as the "Pennsylvania Farmland and Forest Land Assessment
10 Act of 1974."

11 Section 2. Definitions.--As used in this act, the following
12 words and phrases shall have the meanings ascribed to them in
13 this section unless the context obviously otherwise requires:

14 "Agricultural commodity." Any and all plant and animal
15 products including Christmas trees produced in this State for
16 commercial purposes.

17 "Agricultural reserve." Land which has a potential to

1 produce agricultural commodities.

2 "Agricultural use." Use of the land for the purpose of
3 producing an agricultural commodity or when devoted to and
4 meeting the requirements and qualifications for payments or
5 other compensation pursuant to a soil conservation program under
6 an agreement with an agency of the Federal Government.

7 "Farmer-owner-operator." A natural person who derives income
8 from the agricultural yield of land devoted to agricultural use
9 which he owns and operates.

10 "Forest reserve." Land, ten acres or more, stocked by forest
11 trees of any size and capable of producing timber or other wood
12 products.

13 Section 3. Land Devoted to Agricultural Use, Agricultural
14 Reserve, and/or Forest Reserve, Woodlots.--(a) For general
15 property tax purposes, the value of land which is presently
16 devoted to agricultural use, agricultural reserve, and/or forest
17 reserve shall on application of the owner and approval thereof
18 as hereinafter provided be that value which such land has for
19 its particular use if it also meets the following conditions:

20 (1) Land presently devoted to agricultural use: Such land
21 was devoted to agricultural use the preceding three years and is
22 not less than ten contiguous acres in area or has an anticipated
23 yearly gross income of two thousand dollars (\$2,000).

24 (2) Land presently devoted to agricultural reserve: Such
25 land is not less than ten contiguous acres in area.

26 (3) Land presently devoted to forest reserve: Such land is
27 not less than ten contiguous acres in area.

28 (b) The assessor when determining the value of land in
29 agricultural use, agricultural reserve use, or forest reserve
30 use, shall, in arriving at the value of such land for its

1 particular use, consider available evidence of such lands'
2 capability for its particular use as derived from the soil
3 survey at the Pennsylvania State University, the National
4 Cooperative Soil Survey, the United States Census of
5 Agricultural Categories of land use classes, and evidence of the
6 capability of land devoted to such use.

7 (c) Farm woodlots, contiguous to, and held by the same
8 ownership as other agricultural or agricultural reserve land is
9 not required to conform to the ten acre minimum forest reserve
10 requirement.

11 ~~Section 4. County Board of Assessment and Revision of~~ <—
12 ~~Taxes. (a) The county board for the assessment and revision of~~
13 ~~taxes shall have the responsibility to accept and process~~
14 ~~applications for preferential assessments as prescribed by this~~
15 ~~act.~~

16 ~~(b) In addition to keeping such records as are now or~~
17 ~~hereafter required by law, the county shall clearly indicate on~~
18 ~~the appropriate records those parcels that are assessed under~~
19 ~~the provisions of this act. It shall be the duty of the county~~
20 ~~board for the assessment and revision of taxes to immediately~~
21 ~~notify the appropriate taxing bodies of any preferential~~
22 ~~assessment granted or cancelled within their taxing~~
23 ~~jurisdictions.~~

24 ~~Section 5. Applications for Preferential Assessment. (a)~~
25 ~~Each owner of agricultural land, agricultural reserve and/or~~
26 ~~forest reserve, desiring preferential use assessment under this~~
27 ~~act, shall make application to the county board for the~~
28 ~~assessment and revision of taxes of the county in which the land~~
29 ~~is located. Such application must be submitted on or before July~~
30 ~~first of the year immediately preceding the tax year.~~

1 ~~Preferential assessment shall continue under the initial~~
2 ~~application until land use change takes place.~~

3 ~~(b) There shall be uniform application forms for~~
4 ~~preferential assessment in all counties. Such application forms~~
5 ~~shall be developed by the Department of Agriculture. In addition~~
6 ~~to the information which the Department of Agriculture shall~~
7 ~~deem appropriate, the following statement shall be included:~~

8 ~~"The applicant for preferential assessment hereby agrees that~~
9 ~~if his application is approved for preferential assessment to~~
10 ~~submit ten days' notice to the county assessor of a proposed~~
11 ~~change in use of the land, a split off of a portion of the land,~~
12 ~~or a conveyance of the land."~~

13 ~~The assessor shall notify the prospective buyer of any roll~~
14 ~~back tax due if a change in use occurs.~~

15 SECTION 4. APPLICATIONS FOR PREFERENTIAL ASSESSMENTS.--(A) <—
16 THE COUNTY BOARD FOR ASSESSMENT APPEALS SHALL HAVE THE
17 RESPONSIBILITY TO ACCEPT AND PROCESS APPLICATIONS FOR
18 PREFERENTIAL ASSESSMENTS AS PRESCRIBED BY THIS ACT.

19 (B) EACH OWNER OF AGRICULTURAL LAND, AGRICULTURAL RESERVE
20 AND/OR FOREST RESERVE, DESIRING PREFERENTIAL USE ASSESSMENT
21 UNDER THIS ACT, SHALL MAKE APPLICATION TO THE COUNTY BOARD OF
22 ASSESSMENT APPEALS OF THE COUNTY IN WHICH THE LAND IS LOCATED.
23 SUCH APPLICATION MUST BE SUBMITTED ON OR BEFORE JULY FIRST OF
24 THE YEAR IMMEDIATELY PRECEDING THE TAX YEAR. PREFERENTIAL
25 ASSESSMENT SHALL CONTINUE UNDER THE INITIAL APPLICATION UNTIL
26 LAND USE CHANGE TAKES PLACE.

27 (C) THERE SHALL BE UNIFORM APPLICATION FORMS FOR
28 PREFERENTIAL ASSESSMENT IN ALL COUNTIES. SUCH APPLICATION FORMS
29 SHALL BE DEVELOPED BY THE DEPARTMENT OF AGRICULTURE. IN ADDITION
30 TO THE INFORMATION WHICH THE DEPARTMENT OF AGRICULTURE SHALL

1 DEEM APPROPRIATE, THE FOLLOWING STATEMENT SHALL BE INCLUDED:

2 "THE APPLICANT FOR PREFERENTIAL ASSESSMENT HEREBY AGREES, IF
3 HIS APPLICATION IS APPROVED FOR PREFERENTIAL ASSESSMENT, TO
4 SUBMIT THIRTY DAYS NOTICE TO THE COUNTY ASSESSOR OF A PROPOSED
5 CHANGE IN USE OF THE LAND, A SPLIT-OFF OF A PORTION OF THE LAND,
6 OR A CONVEYANCE OF THE LAND."

7 SECTION 5. RESPONSIBILITIES OF THE COUNTY ASSESSOR.--(A) IN
8 ADDITION TO KEEPING SUCH RECORDS AS ARE NOW OR HEREAFTER
9 REQUIRED BY LAW, IT SHALL BE THE DUTY OF THE COUNTY ASSESSOR:

10 (1) TO INDICATE ON PROPERTY RECORD CARDS, ASSESSMENT ROLLS,
11 AND ANY OTHER APPROPRIATE RECORDS, THE FAIR MARKET VALUE, THE
12 NORMAL ASSESSED VALUE AND THE PREFERENTIALLY ASSESSED VALUE OF
13 EACH PARCEL GRANTED PREFERENTIAL USE ASSESSMENTS UNDER THIS ACT;
14 AND ANNUALLY, TO RECORD ON SUCH RECORDS ALL CHANGES, IF ANY, IN
15 THE FAIR MARKET VALUE, THE NORMAL ASSESSED VALUE AND THE
16 PREFERENTIALLY ASSESSED VALUE OF SUCH PROPERTIES.

17 (2) TO NOTIFY THE APPROPRIATE TAXING BODIES OF ANY
18 PREFERENTIAL ASSESSMENTS GRANTED OR TERMINATED WITHIN THEIR
19 TAXING JURISDICTION WITHIN FIVE DAYS OF SUCH CHANGE.

20 (3) TO NOTIFY THE OWNER OF A PROPERTY THAT IS PREFERENTIALLY
21 ASSESSED UNDER THIS ACT AND THE TAXING BODIES OF THE DISTRICT IN
22 WHICH SUCH PROPERTY IS SITUATED OF ANY CHANGES IN THE FAIR
23 MARKET VALUE, THE NORMAL ASSESSED VALUE OR PREFERENTIALLY
24 ASSESSED VALUE WITHIN FIVE DAYS OF SUCH CHANGE. THERE SHALL BE A
25 RIGHT OF APPEAL AS PROVIDED FOR IN SECTION 9 OF THIS ACT.

26 (4) TO MAINTAIN A PERMANENT RECORD OF THE TAX RATES IN MILLS
27 LEVIED BY EACH OF THE TAXING AUTHORITIES IN THE COUNTY FOR EACH
28 TAX YEAR.

29 (B) IT SHALL BE THE DUTY OF THE COUNTY ASSESSOR, AS SET
30 FORTH UNDER SECTION 8(C) OF THIS ACT, TO CALCULATE ROLL-BACK

1 TAXES, GIVE NOTICE OF THE AMOUNTS DUE TO INTERESTED PARTIES AND
2 TO ESTABLISH LIENS FOR UNPAID ROLL-BACK TAXES.

3 Section 6. Separation or Split-off.--(a) Separation or
4 split-off of a part of the land which is being valued, assessed
5 and taxed under this act either by conveyance or other action of
6 the owner of such land for a use other than agricultural or
7 agricultural reserve or forest reserve shall, except when the
8 separation occurs through condemnation, subject the land so
9 separated and the entire parcel from which the land was
10 separated to liability for the roll-back taxes as set forth in
11 section 8 of this act except as provided in subsections (b) or
12 (c) of this section.

13 (b) The owner of property subject to a preferential tax
14 assessment may transfer land covered by the preferential tax
15 assessment to any member of his immediate family without
16 incurring roll-back taxes: Provided, That the tract of land so
17 transferred shall not exceed two acres and may only be used for
18 the construction of a residential dwelling to be occupied by the
19 family member to which the land is transferred. The transfer of
20 a parcel of land to a family member which meets the requirements
21 of this section shall not invalidate the preferential tax
22 assessment and the land retained by the landowner shall continue
23 to be eligible for use value assessment if it continues to meet
24 the minimum acreage or, if devoted to agricultural use, gross
25 income requirements established by this act.

26 ~~(c) A present owner or a farmer owner operator of land~~ <—
27 ~~devoted to agricultural use and subject to preferential~~
28 ~~assessment may split off not more than ten acres in any year~~
29 ~~without incurring roll back taxes on the remaining land and~~
30 ~~without impairing the right of the remaining land to continue~~

1 ~~its preferential assessment status so long as it otherwise meets~~
2 ~~the requirements of this act. In each such case, the land~~
3 ~~separated shall be subject to roll back taxes as set forth in~~
4 ~~section 8(b).~~

5 ~~(d)~~ (C) Any change in use of a separation or split-off of <—
6 land shall be in compliance with the zoning ordinances of the
7 local municipality, if in effect.

8 Section 7. Contiguous Land in More Than One Taxing
9 District.--Where contiguous land in agricultural, or
10 agricultural reserve, and/or forest reserve use in one ownership
11 is located in more than one taxing district, compliance with the
12 minimum area requirement shall be determined on the basis of the
13 total area of such land and not the area which is located in the
14 particular taxing district.

15 Section 8. Determination of Amounts of Taxes When Use
16 Abandoned.--(a) When any tract of land which is in agricultural
17 use, or agricultural reserve use or forest reserve use and which
18 is being valued, assessed and taxed under the provisions of this
19 act, is applied to a use other than agricultural, agricultural
20 reserve or forest reserve, or for any other reason, except
21 condemnation thereof, is removed from the category of land
22 preferentially assessed and taxed under this act, the land so
23 removed and the entire tract of which it was a part shall be
24 subject to taxes in an amount equal to the difference,
25 hereinafter referred to as roll-back taxes, if any, between the
26 taxes paid or payable on the basis of the valuation and the
27 assessment authorized hereunder and the taxes that would have
28 been paid or payable had that land been valued, assessed and
29 taxed as other land in the taxing district in the current tax
30 year, the year of change, and in nine of the previous tax years

1 or the number of years of preferential assessment up to ten,
2 plus interest on each year's roll-back tax at the rate of six
3 per cent (6%) per annum. After the first ten years of
4 preferential assessment, the roll-back shall apply to the ten
5 most recent tax years.

6 (b) Unpaid roll-back taxes shall be a lien upon the property
7 collectible in the manner provided by law for the collection of
8 delinquent taxes. Roll-back taxes shall become due on the date
9 of change of use, or any other termination of preferential
10 assessment and shall be paid by the owner of the land at the
11 time of change in use, or any other termination of PREFERENTIAL <—
12 assessment, to the county treasurer OR TO THE TAX CLAIM BUREAU, <—
13 AS THE CASE MAY BE, whose responsibility it shall be to make
14 proper distribution of the taxes and interest to the taxing
15 bodies wherein the property is located.

16 (C) WITHIN FIVE WORKING DAYS AFTER RECEIPT OF A NOTICE FROM <—
17 THE OWNER OF A PROPERTY, WHICH IS PREFERENTIALLY ASSESSED, OF A
18 PROPOSED CHANGE IN THE USE OF THE LAND, A SPLIT-OFF OF A PORTION
19 OF THE LAND, OR A CONVEYANCE OF THE LAND, AS PROVIDED FOR UNDER
20 SECTION 4(C), THE COUNTY ASSESSOR SHALL:

21 (1) CALCULATE BY YEARS THE TOTAL OF ALL ROLL-BACK TAXES DUE
22 AT THE TIME OF CHANGE AND SHALL NOTIFY THE PROPERTY OWNER OF
23 SUCH AMOUNTS. IN THE CASE OF A CONVEYANCE OF ALL OR PART OF SAID
24 LAND, HE SHALL NOTIFY THE PROSPECTIVE BUYER, IF KNOWN, OF SUCH
25 AMOUNTS.

26 (2) WITH RESPECT TO THE ROLL-BACK TAXES FOR THE CURRENT
27 YEAR, HE SHALL NOTIFY THE TAXING BODIES OF THE DISTRICT IN WHICH
28 THE PROPERTY IS LOCATED OF THE ADDITIONAL AMOUNT OF ASSESSMENT
29 UPON WHICH TAXES SHALL BE LEVIED AND COLLECTED. IN THE CASE OF
30 COUNTY PROPERTY TAXES, HE SHALL NOTIFY THE TAX COLLECTOR OF THE

1 APPROPRIATE DISTRICT OF ADDITIONAL COUNTY TAX TO BE COLLECTED.

2 (3) WITH RESPECT TO ROLL-BACK TAXES FOR YEARS PRIOR TO THE
3 CURRENT YEAR WHICH THE ASSESSOR HAS DETERMINED TO BE DUE, HE
4 SHALL FILE A CLAIM FOR SUCH AMOUNTS WITH THE TAX CLAIM BUREAU OR
5 THE COUNTY TREASURER, AS THE CASE MAY BE, WHICH UPON SAID FILING
6 SHALL CONSTITUTE A LIEN HAVING THE SAME FORCE AND EFFECT AS IF
7 FILED BY THE TAXING BODIES.

8 ~~Section 9. Appeals. There shall be a right of appeal which~~ <—
9 ~~shall conform to practice in the particular county in which~~
10 ~~preferential assessment is being sought.~~

11 SECTION 9. APPEALS.--(A) THE OWNER OF A PROPERTY UPON WHICH <—
12 A PREFERENTIAL ASSESSMENT IS SOUGHT, AND THE POLITICAL
13 SUBDIVISION IN WHICH SAID PROPERTY IS SITUATED, SHALL HAVE THE
14 RIGHT OF APPEAL IN ACCORDANCE WITH EXISTING LAW.

15 (B) WHEN ROLL-BACK TAXES FOR PRIOR YEARS ARE TO BE COLLECTED
16 AS PROVIDED ABOVE, NO PERSON AND NO POLITICAL SUBDIVISION SHALL
17 BE PERMITTED TO QUESTION ANY ASSESSMENT OF ANY PRIOR YEAR BEFORE
18 THE BOARD OF ASSESSMENT APPEALS UNLESS A TIMELY APPEAL WAS FILED
19 PURSUANT TO THE REQUIREMENTS OF THE ACTS OF ASSEMBLY RELATING TO
20 ASSESSMENT APPEALS DURING THE TIME PERIOD FOR WHICH APPEALS FOR
21 THAT YEAR WOULD NORMALLY BE TAKEN.

22 Section 10. Renegotiation of Open Space Agreements.--Any
23 county which has covenanted with land owners of farm or forest
24 land as to assessments and open space use of such land under the
25 act of January 13, 1966 (1965 P.L.1292, No.515), entitled "An
26 act enabling certain counties of the Commonwealth to covenant
27 with land owners for preservation of land in farm, forest, water
28 supply, or open space uses," may, at the landowner's option,
29 renegotiate such agreements so as to make them conform to the
30 provisions of this act as to preferential assessments.

1 Section 11. Applicability to Tax Year and Subsequent Tax
2 Years.--The tax year 1974 shall be deemed to be the first tax
3 year in which the provisions of this act shall apply, and this
4 act shall apply to the tax year 1974 and subsequent tax years.

5 SECTION 12. RULES AND REGULATIONS.--THE SECRETARY OF THE <—
6 DEPARTMENT OF AGRICULTURE SHALL PROMULGATE RULES AND REGULATIONS
7 NECESSARY TO PROMOTE THE EFFICIENT, UNIFORM, STATEWIDE
8 ADMINISTRATION OF THE ACT.

9 Section ~~12~~. 13. Applicability.--This act shall apply to all <—
10 counties of the Commonwealth of Pennsylvania.

11 Section ~~13~~. 14. Severability; Inconsistent Laws.--If any <—
12 section, provision, or clause of this act shall be declared
13 invalid or inapplicable to any persons or circumstances, such
14 action shall not be construed to affect the rest of the act or
15 circumstances not so affected. All laws or portions of laws
16 inconsistent with the policy and provisions of this act are
17 hereby repealed to that extent.