

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1288 Session of 2014

INTRODUCED BY SCHWANK, VOGEL, TEPLITZ, COSTA, RAFFERTY, ARGALL, BOSCOLA, SMITH, YUDICHAK, KASUNIC, VULAKOVICH, BAKER, SOLOBAY AND BRUBAKER, MARCH 14, 2014

REFERRED TO AGRICULTURE AND RURAL AFFAIRS, MARCH 14, 2014

AN ACT

1 Amending the act of December 19, 1974 (P.L.973, No.319),  
 2 entitled "An act prescribing the procedure under which an  
 3 owner may have land devoted to agricultural use, agricultural  
 4 reserve use, or forest reserve use, valued for tax purposes  
 5 at the value it has for such uses, and providing for  
 6 reassessment and certain interest payments when such land is  
 7 applied to other uses and making editorial changes," further  
 8 providing for roll-back taxes and special circumstances.

9 The General Assembly of the Commonwealth of Pennsylvania

10 hereby enacts as follows:

11 Section 1. Section 8(d) of the act of December 19, 1974  
 12 (P.L.973, No.319), known as the Pennsylvania Farmland and Forest  
 13 Land Assessment Act of 1974, amended October 24, 2012 (P.L.1499,  
 14 No.190), is amended to read:

15 Section 8. Roll-Back Taxes; Special Circumstances.--\* \* \*

16 (d) (1) A landowner may apply a maximum of two acres of a  
 17 tract of land subject to preferential assessment toward direct  
 18 commercial sales of agriculturally related products and  
 19 activities or for a rural enterprise incidental to the  
 20 operational unit without subjecting the entire tract to roll-

1 back taxes, provided that:

2 (i) The commercial activity is owned and operated by [the]  
3 either:

4 (A) the landowner or his beneficiaries who are designated as  
5 class A for inheritance tax purposes[.] for the purposes of  
6 direct commercial sales of agriculturally related products and  
7 activities or for a rural enterprise incidental to the  
8 operational unit; or

9 (B) a party other than the landowner who enters into a lease  
10 with the landowner for the operation of a rural enterprise  
11 incidental to the operational unit on the tract of land that is  
12 subject to this subsection.

13 (ii) An assessment of the inventory of the goods involved  
14 verifies that it is owned by the landowner or his beneficiaries.

15 (iii) The rural enterprise does not permanently render the  
16 land incapable of producing an agricultural commodity.

17 (2) Roll-back taxes shall be imposed upon that portion of  
18 the tract where the commercial activity takes place and the fair  
19 market value of that tract shall be adjusted accordingly.

20 (3) Notwithstanding the provisions of paragraph (2), no  
21 roll-back taxes shall be due and no breach of a preferential  
22 assessment shall be deemed to have occurred if the direct  
23 commercial sales of agriculturally related products:

24 (i) take place on no more than one half of an acre;

25 (ii) are of at least fifty percent (50%) of products  
26 produced on the tract; and

27 (iii) require no new utilities or buildings.

28 \* \* \*

29 Section 2. This act shall take effect in 60 days.