

PENNSYLVANIA FARMLAND AND FOREST LAND ASSESSMENT ACT OF 1974 -  
ROLL-BACK TAXES AND SPECIAL CIRCUMSTANCES AND APPEALS  
Act of Oct. 24, 2012, P.L. 1499, No. 190 Cl. 53  
Session of 2012  
No. 2012-190

SB 1298

AN ACT

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 definitions, for roll-back taxes and  
special circumstances and for appeals.

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

Section 1. The definition of "agricultural commodity" in  
section 2 of the act of December 19, 1974 (P.L.973, No.319),  
known as the Pennsylvania Farmland and Forest Land Assessment  
Act of 1974, amended December 21, 1998 (P.L.1225, No.156), is  
amended and the section is amended by adding a definition to  
read:

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

"Agricultural commodity." Any of the following:

(1) Agricultural, apicultural, aquacultural, horticultural,  
floricultural, silvicultural, viticultural and dairy products.

(2) Pasture.

(3) Livestock and the products thereof.

(4) Ranch-raised furbearing animals and the products  
thereof.

(5) Poultry and the products of poultry.

(6) Products commonly raised or produced on farms which  
are:

(i) intended for human consumption; or

(ii) transported or intended to be transported in commerce.

(7) Processed or manufactured products of products commonly  
raised or produced on farms which are:

(i) intended for human consumption; or

(ii) transported or intended to be transported in commerce.

**(8) Compost.**

\* \* \*

**"Compost." Material resulting from the biological digestion  
of dead animals, animal waste or other biodegradable materials,  
at least fifty percent (50%) by volume of which is comprised  
of products commonly produced on farms.**

\* \* \*

Section 2. Section 8(d) of the act, amended December 21,  
1998 (P.L.1225, No.156), is amended to read:

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

(d) (1) A landowner may apply a maximum of two acres of a  
tract of land subject to preferential assessment toward direct  
commercial sales of agriculturally related products and

activities or for a rural enterprise incidental to the operational unit without subjecting the entire tract to roll-back taxes, provided that:

(i) The commercial activity is owned and operated by the landowner or his beneficiaries who are designated as class A for inheritance tax purposes.

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

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

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

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

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

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

**(iii) require no new utilities or buildings.**

\* \* \*

Section 3. Section 9 of the act is amended by adding a subsection to read:

Section 9. Appeals.--\* \* \*

**(a.1) In the event a change relating to composting in this act becomes effective during an active appeal and is applicable to the active appeal, no roll-back tax shall be due or collected and the roll-back tax shall be reimbursed if already paid for such activities to which roll-back taxes were applied.**

\* \* \*

Section 4. This act shall take effect immediately.

APPROVED--The 24th day of October, A.D. 2012.

TOM CORBETT