

PRESERVING LAND FOR OPEN AIR SPACES - LOCAL TAXING OPTIONS

Act of Apr. 19, 2022, P.L. 55, No. 15

Cl. 32

Session of 2022

No. 2022-15

HB 221

AN ACT

Amending the act of January 19, 1968 (1967 P.L.992, No.442), entitled "An act authorizing the Commonwealth of Pennsylvania and the local government units thereof to preserve, acquire or hold land for open space uses," further providing for local taxing options.

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

Section 1. Section 7.1(a) of the act of January 19, 1968 (1967 P.L.992, No.442), entitled "An act authorizing the Commonwealth of Pennsylvania and the local government units thereof to preserve, acquire or hold land for open space uses," is amended to read:

Section 7.1. Local Taxing Options.--(a) A local government unit, excluding counties and county authorities, may by ordinance impose, in addition to the statutory rate limits on real estate taxes set forth in the municipal code of that local government unit, an open space tax on real property not exceeding the millage authorized by referendum under subsection (a.3). In the alternative, a local government unit, excluding counties and county authorities, may by ordinance impose, in addition to the earned income tax rate limit set forth in the act of December 31, 1965 (P.L.1257, No.511), known as "The Local Tax Enabling Act," an open space tax on the earned income of the residents of that local government unit not exceeding the rate authorized by referendum under subsection (a.3). Revenue from the levy may only be used for the following:

(1) to retire the indebtedness incurred in purchasing interests in real property or in making additional acquisitions of real property for the purpose of securing an open space benefit or benefits under the provisions of this act or the act of June 30, 1981 (P.L.128, No.43), known as the "Agricultural Area Security Law";

(2) for transactional fees that are incidental to acquisitions made in accordance with this act, including, but not limited to, costs of appraisals, legal services, title searches, document preparation, title insurance, closing fees and survey costs;

(3) for expenses necessary to prepare the resource, recreation or land use plan required under section 3; or

(4) (i) annually, up to 25% of any accumulated balance of the fund from the levy authorized by referendum, to develop, improve, design, engineer and maintain property acquired [pursuant to this act] for an open space benefit or benefits; or

(ii) alternatively, for purposes of allocation, the local government unit may create a maintenance fund into which the local government unit may deposit in an amount up to 25% of the annual revenue from the levy authorized by referendum, to develop, improve, design, engineer and maintain property acquired [pursuant to this act] for an open space benefit or benefits.

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

APPROVED--The 19th day of April, A.D. 2022.

TOM WOLF