

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1788 Session of  
2009

INTRODUCED BY CUTLER, HARHART, HESS, HOUGHTON, METZGAR, PYLE,  
ROCK, SONNEY AND SWANGER, JUNE 26, 2009

REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS, JUNE 26,  
2009

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,"  
8 providing for payments to certain local taxing authorities to  
9 offset assessments reduced under this act.

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

12 Section 1. The act of December 19, 1974 (P.L.973, No.319),  
13 known as the Pennsylvania Farmland and Forest Land Assessment  
14 Act of 1974, is amended by adding a section to read:

15 Section 4.3. Payments to Impacted Local Taxing  
16 Authorities.--(a) The General Assembly finds that although all  
17 citizens of this Commonwealth benefit from the preservation of  
18 open space lands, the burden of the shifting of real property  
19 taxes falls heavily on certain local taxing authorities. In  
20 order to ensure that the taxpayers of these local taxing  
21 authorities do not bear too much of the burden of this act, it

1 is in the public interest to make assistance payments to these  
2 authorities from the General Fund, where the authorities would  
3 otherwise lose ten percent (10%) or more of their assessed value  
4 as a result of this act.

5 (b) A local taxing authority that meets the requirements for  
6 eligibility under subsection (d) may apply to the Department of  
7 Community and Economic Development for payment from the  
8 Commonwealth as provided in this section.

9 (c) For each fiscal year for which payment under this  
10 section is requested, an application must be submitted to the  
11 Department of Community and Economic Development by April 1 on a  
12 form prescribed by the Department of Community and Economic  
13 Development. The application must include the following:

14 (1) The total of the normal assessed values of all real  
15 property within the jurisdiction of the local taxing authority.

16 (2) The total of the normal assessed values of all  
17 properties preferentially assessed under this act within the  
18 jurisdiction of the local taxing authority.

19 (3) The total of the preferentially assessed values of all  
20 properties preferentially assessed under this act within the  
21 jurisdiction of the local taxing authority.

22 (4) The real estate tax rate of the local taxing authority  
23 for its current fiscal year.

24 (5) Such other information as may be required by the  
25 Department of Community and Economic Development.

26 If the local taxing authority fails to file the application  
27 required by this subsection by the date prescribed by this  
28 subsection, or within any extension granted by the Department of  
29 Community and Economic Development, it shall forfeit its  
30 eligibility for payment under this section for that fiscal year.

1 (d) If the difference between the amount stated under  
2 subsection (c)(2), less the amount stated under subsection (c)  
3 (3) is equal to or greater than ten percent (10%) of the amount  
4 stated under subsection (c)(1), the local taxing jurisdiction  
5 shall be eligible to receive payments under this section.

6 (e) The Commonwealth shall pay to the eligible local taxing  
7 authority for the fiscal year ninety percent (90%) of the  
8 difference between the amount stated under subsection (c)(2),  
9 less the amount stated under subsection (c)(3), multiplied by  
10 the rate stated under subsection (c)(4). The data stated by the  
11 local taxing authority must be verified by the county assessor  
12 before such payment may be made. The Department of Community and  
13 Economic Development shall make payment to the local taxing  
14 authorities no later than October 1.

15 (f) Payments under this section shall be funded by  
16 appropriations from the General Fund. For purposes of making  
17 this payment, the Department of Community and Economic  
18 Development shall make requisition in the manner prescribed by  
19 the act of April 9, 1929 (P.L.343, No.176), known as "The Fiscal  
20 Code." If the amount appropriated for purposes of this section  
21 is insufficient to fully fund the payments otherwise required by  
22 this section, the payment to each local taxing authority shall  
23 be reduced by an equal percentage.

24 (g) The Department of Community and Economic Development  
25 shall promulgate such rules and regulations as are necessary to  
26 administer this section.

27 (h) As used in this section, the term "local taxing  
28 authority" means a political subdivision having authority to  
29 impose taxes on real estate.

30 Section 2. With respect to any fiscal year that includes

1 December 31, 2009, or any fiscal year prior thereto, the  
2 Department of Community and Economic Development may vary the  
3 application or payment deadlines that would otherwise apply  
4 under section 4.3. For this purpose, the department may adopt  
5 interim regulations, which shall be exempt from review under  
6 section 205 of the act of July 31, 1968 (P.L.769, No.240),  
7 referred to as the Commonwealth Documents Law, section 204(b) of  
8 the act of October 15, 1980 (P.L.950, No.164), known as the  
9 Commonwealth Attorneys Act, and the act of June 25, 1982  
10 (P.L.633, No.181), known as the Regulatory Review Act.

11 Section 3. This act shall take effect immediately.