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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 624 Session of  
2019

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INTRODUCED BY SCHWANK, COSTA, HUGHES, STREET, TARTAGLIONE,  
SABATINA, SANTARSIERO, AUMENT, FARNESE, BREWSTER AND BAKER,  
MAY 13, 2019

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REFERRED TO FINANCE, MAY 13, 2019

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AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," in realty transfer tax, further providing for  
11 definitions and for excluded transactions.

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

14 Section 1. Section 1101-C of the act of March 4, 1971  
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended  
16 by adding definitions to read:

17 Section 1101-C. Definitions.--The following words when used  
18 in this article shall have the meanings ascribed to them in this  
19 section:

20 "Agricultural production." As defined in section 3 of the  
21 act of June 30, 1981 (P.L.128, No.43), known as the  
22 "Agricultural Area Security Law."

1 \* \* \*

2 "Qualified beginner farmer." A person that:

3 (1) Received gross sales from agricultural production of at  
4 least ten thousand dollars (\$10,000) in the most recent taxable  
5 year.

6 (2) Has not received Federal gross income from agricultural  
7 production for more than the ten most recent taxable years.

8 (3) Intends to engage in agricultural production within the  
9 borders of this Commonwealth and to provide the majority of the  
10 labor and management involved in that agricultural production.

11 (4) Has obtained written certification from the Department  
12 of Agriculture confirming "qualified beginner farmer" status.

13 \* \* \*

14 Section 2. Section 1102-C.3(18) of the act is amended by  
15 adding a subparagraph to read:

16 Section 1102-C.3. Excluded Transactions.--The tax imposed by  
17 section 1102-C shall not be imposed upon:

18 \* \* \*

19 (18) Any of the following:

20 \* \* \*

21 (vii) A transfer of real estate that is subject to an  
22 agricultural conservation easement established under authority  
23 of the act of June 30, 1981 (P.L.128, No.43), known as the  
24 "Agricultural Area Security Law," to a qualified beginner  
25 farmer.

26 \* \* \*

27 Section 3. This act shall take effect in 60 days.