

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1136 Session of 2015

INTRODUCED BY WHITE, BARTOLOTTA AND WARD, MARCH 7, 2016

REFERRED TO AGRICULTURE AND RURAL AFFAIRS, MARCH 7, 2016

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 definitions and for penalty for ineligible use.

9 The General Assembly of the Commonwealth of Pennsylvania

10 hereby enacts as follows:

11 Section 1. The definition of "roll-back tax" in section 2 of  
 12 the act of December 19, 1974 (P.L.973, No.319), known as the  
 13 Pennsylvania Farmland and Forest Land Assessment Act of 1974,  
 14 amended December 21, 1998 (P.L.1225, No.156), is amended to  
 15 read:

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

19 \* \* \*

20 "Roll-back tax." The amount equal to the difference between  
 21 the taxes paid or payable on the basis of the valuation and the

1 assessment authorized hereunder and the taxes that would have  
2 been paid or payable had that land been valued, assessed and  
3 taxed as other land in the taxing district in the current tax  
4 year, the year of change, and in [six of] the previous tax  
5 [years or the number of years] year of preferential assessment  
6 [up to seven].

7 \* \* \*

8 Section 2. Section 5.1 of the act, amended November 23, 2010  
9 (P.L.1095, No.109), is amended to read:

10 Section 5.1. Penalty for Ineligible Use.--If a landowner  
11 removes land from a preferential assessment under section 8.1,  
12 if a landowner changes the use of any tract of land subject to  
13 preferential assessment under this act to one which is  
14 inconsistent with the provisions of section 3 or if for any  
15 other reason the land is removed from a land use category under  
16 section 3, except for a condemnation of the land, the land so  
17 removed and the entire tract of which it was a part shall be  
18 subject to roll-back taxes plus interest on each year's roll-  
19 back tax at the rate of one percent (1%), plus the prime rate of  
20 interest, per annum, not to exceed an aggregate rate of six  
21 percent (6%) per annum. [After the first seven years of  
22 preferential assessment, the roll-back tax shall apply to the  
23 seven most recent tax years.]

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