

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 791 – SB 940

March 18, 2017

**SUMMARY OF ORIGINAL BILL:** Deletes cross-reference to a repealed section of statute, Tenn. Code Ann. § 67-5-1503, in Tenn. Code Ann. § 67-5-1409(b).

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005178):** Deletes all language after the enacting clause. Establishes a 15 acre minimum for property classified as forest land under the *Agricultural, Forest, and Open Space Land Act*. Transfers the responsibility for taxpayer appeals of forest land eligibility determination from the State Forester to the county boards of equalization and the State Board of Equalization (SBOE).

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase Local Revenue - \$242,800**

Assumptions for the bill as amended:

- Tenn. Code Ann. § 67-5-1004 currently allows any land constituting a forest unit engaged in the growing of trees under a sound program of sustained yield management to qualify as forest land and also authorizes land with 15 acres or more to qualify as forest land.
- Based on information provided by the Comptroller of the Treasury (Comptroller), forest land has administratively been interpreted as a 10 acre minimum.
- This legislation will establish a minimum of 15 acres for all forest land, resulting in a recurring increase in local property tax revenue of \$242,800.
- Based on information provided by the Comptroller, any increase in appeals of forest land determinations to the SBOE can be addressed within existing resources. Any impact to state government is estimated to be not significant

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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