

LEGISLATIVE REFERENCE BUREAU

AMENDMENTS TO SENATE BILL NO. 298

Sponsor:

Printer's No. 593

1 Amend Bill, page 1, line 8, by inserting after "providing"
2 for definitions,

3 Amend Bill, page 1, line 8, by inserting after "transfer"
4 and for roll-back taxes and special circumstances

5 Amend Bill, page 1, lines 11 through 14, by striking out all
6 of said lines and inserting

7 Section 1. The definition of "agricultural use" in section 2
8 of the act of December 19, 1974 (P.L.973, No.319), known as the
9 Pennsylvania Farmland and Forest Land Assessment Act of 1974,
10 amended December 21, 1998 (P.L.1225, No.156), is amended and the
11 section is amended by adding definitions to read:

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

15 * * *

16 "Agricultural use." Land which is used for the purpose of
17 producing an agricultural commodity or is devoted to and meets
18 the requirements and qualifications for payments or other
19 compensation pursuant to a soil conservation program under an
20 agreement with an agency of the Federal Government. The term
21 includes:

22 (1) any farmstead land on the tract[. The term includes];

23 (2) a woodlot [and];

24 (3) any land which is rented to another person and used for
25 the purpose of producing an agricultural commodity; and

26 (4) any land devoted to the development and operation of an
27 alternative energy system, if a majority of the energy generated
28 is utilized on the tract in the production of an agricultural
29 commodity or in activities performed on the farmstead land.

30 * * *

31 "Alternative energy." Electricity, heat or other usable form
32 of energy generated from a Tier I energy source.

33 "Alternative energy system." A facility or energy system
34 that utilizes a Tier I energy source to generate alternative
35 energy. The term includes a facility or system that generates

1 alternative energy for utilization onsite or for delivery of the
2 energy generated to an energy distribution company or to an
3 energy transmission system operated by a regional transmission
4 organization.

5 * * *

6 "Tier I energy source." A Tier I alternative energy source,
7 as defined in section 2 of the act of November 30, 2004 (P.L.
8 1672, No.213), known as the "Alternative Energy Portfolio
9 Standards Act."

10 * * *

11 Section 2. Section 6 heading of the act is amended and the
12 section is amended by adding subsections to read:

13 Amend Bill, page 1, line 15, by inserting after "Transfer"
14 ; Leasing for Wireless Service; Utilization of Land or
15 Conveyance of Rights for Exploration or Extraction of Gas, Oil
16 or Coal Bed Methane; Utilization of Land for Commercial
17 Alternative Energy Generation; Death of Landowner; Temporary
18 Leases

19 Amend Bill, page 1, lines 16 through 20, by striking out all
20 of said lines and inserting

21 (c.1) Preferential assessment is subject to the following:

22 (1) Land subject to preferential assessment may be leased or
23 otherwise devoted to the exploration of gas and oil.

24 (2) The following apply:

25 (i) Portions of land subject to

26 Amend Bill, page 2, line 1, by inserting after "assessment"

27 may be used

28 Amend Bill, page 2, lines 2 through 9, by striking out all of
29 lines 2 through 8 and "or tracts" in line 9 and inserting
30 and the development of appurtenant facilities related to those
31 activities.

32 (ii) Roll-back taxes shall be imposed upon those portions of
33 land utilized by the landowner for gas and oil drilling and
34 extraction, excluding land devoted to subsurface transmission or
35 gathering lines, which shall not be subject to roll-back taxes.

36 The portion of land subject to roll-back tax shall be the
37 restored well site and any land which does not meet the
38 requirements of section 3, as measured upon the filing of a well
39 site restoration report with the Department of Environmental
40 Protection as required by 25 Pa. Code 78.65 (relating to site
41 restoration) or its subsequent version. A copy of this report
42 shall be submitted to the county assessor at the same time it is
43 submitted to the Department of Environmental Protection. The
44 fair market value of the restored well site shall be adjusted

1 retroactively to the date of the permit issued under section 201
2 of the act of December 19, 1984 (P.L.1140, No.223), known as the
3 "Oil and Gas Act." The utilization of a portion

4 Amend Bill, page 2, line 11, by striking out "be eligible
5 for" and inserting
6 receive

7 Amend Bill, page 2, by inserting between lines 13 and 14

8 (iii) Notwithstanding subparagraph (ii), no roll-back tax
9 shall be imposed upon a landowner for activities related to the
10 exploration for or removal of oil or gas, including the
11 extraction of coal bed methane, conducted by parties other than
12 the landowner that hold the rights to conduct such activities
13 pursuant to an instrument, conveyance or other vesting of the
14 rights if the transfer of the rights occurred:

15 (A) before the land was enrolled for preferential assessment
16 under this act; and

17 (B) before the effective date of this section.

18 Amend Bill, page 2, lines 16 through 25, by striking out all
19 of said lines and inserting

20 (c.2) The owner of property subject to preferential
21 assessment may utilize portions of land covered by preferential
22 assessment for development and operation of a commercial
23 alternative energy system. Roll-back taxes shall be imposed upon
24 the portion of land actually devoted to the facilities utilized
25 for the generation of alternative energy. Roll-back taxes for a
26 wind generation system shall be imposed upon the land where the
27 foundation of the wind turbine is located and upon the area of
28 surface covered by appurtenant structures, including new roads,
29 bridges, transmission lines, substations and other buildings and
30 structures related to the system. The fair market value of the
31 area for which roll-back taxes have been assessed under this
32 subsection shall be adjusted accordingly. The utilization of a
33 portion of the land for commercial alternative energy systems
34 shall not invalidate the preferential assessment of land which
35 is not so utilized, and such land shall continue to receive
36 preferential assessment if it continues to meet the requirements
37 of section 3. An owner who is subject to roll-back taxes under
38 this subsection shall submit a notice to the county assessor no
39 later than 30 days after the commercial alternative energy
40 system is completed.

41 (c.3) The owner of property subject to preferential
42 assessment may temporarily lease a portion of the land for pipe
43 storage yards. Only one lease is permitted to the owner under
44 this subsection. The lease may not exceed two years. Following
45 the expiration of the two years, the land shall be restored to
46 the original use which qualified it for preferential assessment.

1 * * *

2 Section 3. Section 8(b) of the act, amended December 21,
3 1998 (P.L.1225, No.156), is amended to read:

4 Section 8. Roll-Back Taxes; Special Circumstances.--

5 (b) Unpaid roll-back taxes shall be a lien upon the property
6 collectible in the manner provided by law for the collection of
7 delinquent taxes. Roll-back taxes shall become due on the date
8 of change of use or on the date a well site restoration report
9 is filed under section 6(c.1)(2)(ii), or any other termination
10 of preferential assessment and shall be paid by the owner of the
11 land at the time of change in use, or any other termination of
12 preferential assessment, to the county treasurer or to the tax
13 claim bureau, as the case may be, whose responsibility it shall
14 be to make proper distribution of the taxes to the taxing bodies
15 wherein the property is located. Nothing in this section shall
16 be construed to require the taxing body of a taxing district in
17 which land enrolled in preferential use is situated to accept
18 the roll-back taxes due and payable to that taxing district if
19 the use of the land is changed for the purpose of granting or
20 donating such land to:

21 (1) a school district;

22 (2) a municipality;

23 (3) a county;

24 (4) a volunteer fire company;

25 (5) a volunteer ambulance service;

26 (6) a not-for-profit corporation, tax exempt under section
27 501(c)(3) of the Internal Revenue Code of 1954 (68A Stat. 3, 26
28 U.S.C. § 501(c)(3)), provided that, prior to accepting ownership
29 of the land, such corporation enters into an agreement with the
30 municipality wherein the subject land is located guaranteeing
31 that it will be used exclusively for recreational purposes, all
32 of which shall be available to the general public free of
33 charge. In the event the corporation changes the use of all or a
34 portion of the land or charges admission or any other fee for
35 the use or enjoyment of the facilities, the corporation shall
36 immediately become liable for all roll-back taxes and accrued
37 interest previously forgiven pursuant hereto; or

38 (7) a religious organization for construction or regular use
39 as a church, synagogue or other place of worship, including
40 meeting facilities, parking facilities, housing facilities and
41 other facilities which further the religious purposes of the
42 organization.

43 * * *

44 Amend Bill, page 2, line 26, by striking out "2" and
45 inserting

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