

STAFF MEASURE SUMMARY

CARRIER:

House Committee on Agriculture, Natural Resources and Rural Communities

REVENUE: Revenue statement issued**FISCAL:** Fiscal statement issued

Action:	Do Pass and Be Referred to the Committee on Revenue by Prior Reference
Vote:	8 - 0 - 0
Yeas:	Beyer, Gilliam, Krieger, Roblan, Schaufler, VanOrman, Wingard, Clem
Nays:	0
Exc.:	0
Prepared By:	Cheyenne Ross, Administrator
Meeting Dates:	3/26, 4/24

WHAT THE MEASURE DOES: Includes implementation of a remediation plan as a farm use that is eligible for special property tax assessment. Suspends farm income requirements during implementation of a remediation plan and exempts machinery and equipment from property tax that is used for remediation.

ISSUES DISCUSSED:

- Development and approval of remediation plans
- Extent of remediation efforts; active and creative remediation efforts
- Not merely disqualification from advantageous tax rate, but tax assessment made retroactive and difference in tax burden unjust/unreasonable
- Particular farm at issue and “urban farm”; zoned general industrial and could choose to sell rather than continue an uphill battle to maintain 100-year-old family farming tradition
- County assessor also in favor of change in law
- County’s role in recognizing and approving plans
- Suggested time frame to begin implementation
- Get approval from Department of Agriculture, not Department of Revenue
- Should be able to continue tax exemption or partial tax exemption for multipurpose remediation equipment
- When restored to farm use post-remediation, must remain in farm use for same amount of time as in remediation
- County not acting in bad faith, acting according to and relying on current law, no refund for past tax years
- Could be damaging unintended impact of unknown numbers of other claims statewide if made retroactive beyond 2007

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Certain farm uses are eligible for special property tax assessments. If a landowner fails to engage in the eligible use for too long, then the special tax assessment is lost. This bill would allow a landowner who discontinued an eligible use for the purpose addressing severe adverse conditions to retain eligibility for the special tax assessment during the period of remediation.

4/29/2009 4:17:00 PM

This summary has not been adopted or officially endorsed by action of the committee.

Committee Services Form – 2009 Regular Session