



McKean County

CLEAN & GREEN

Act 319 – Public Law 973

PA Farmland and Forestland Assessment Act

- ◆ Passed in 1974
- ◆ Pertains to land parcels of 10 acres or more
- ◆ Must be devoted to agriculture and forest land use
- ◆ Encourages property owners to retain their land in agricultural or forest land use
- ◆ Purposed to provide some tax relief to land owners

PA Farmland and Forestland Assessment Act

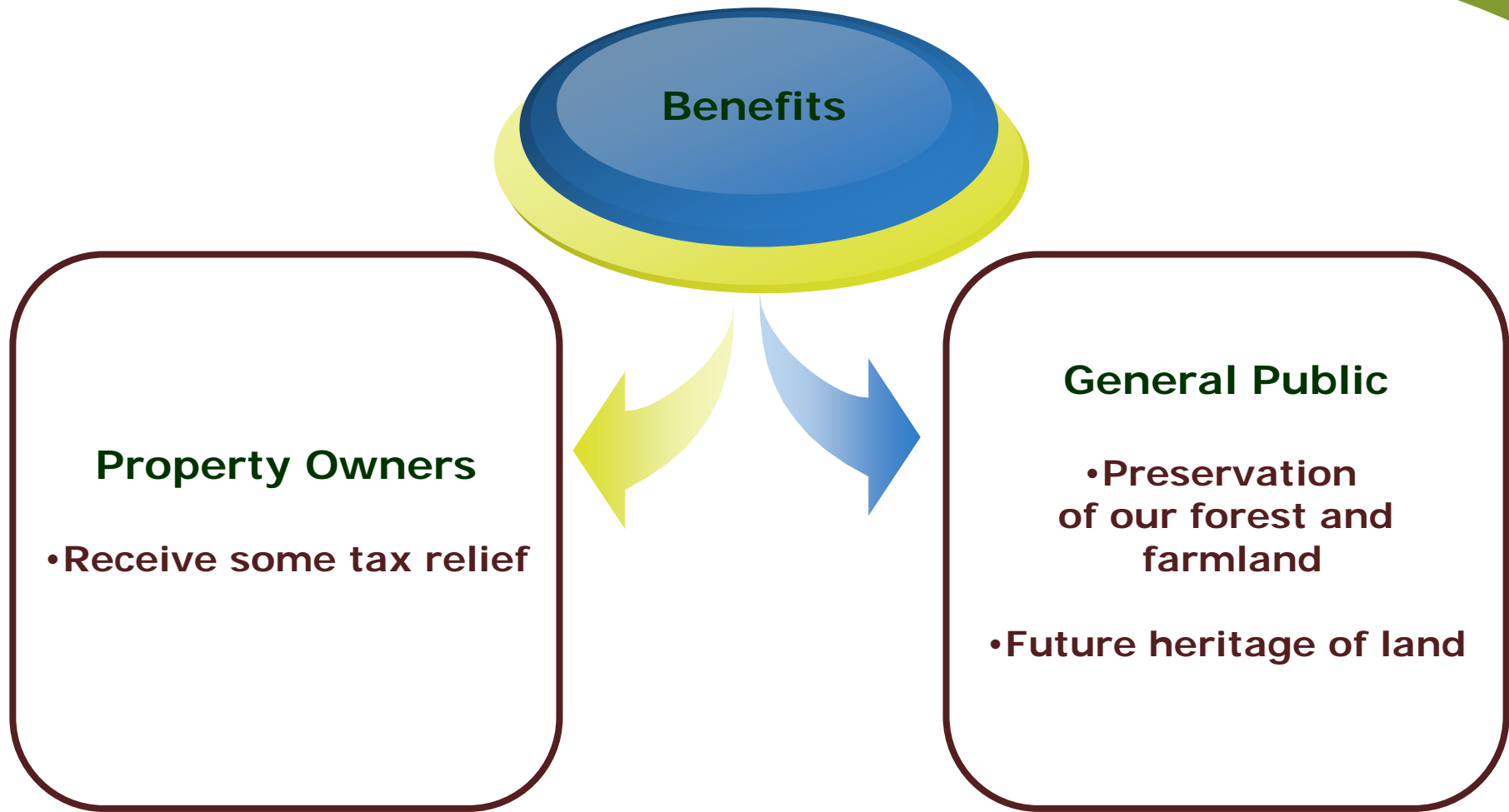
Who Benefits?

A dirt road winds through a dense forest with vibrant green foliage. The trees are tall and thin, creating a canopy overhead. The lighting is bright, suggesting a sunny day. The road is unpaved and leads into the distance.

**PA Farmland and Forestland
Assessment Act**

Everyone!!

PA Farmland and Forestland Assessment Act



A dirt road winds through a dense forest with vibrant green foliage. The trees are tall and thin, with a thick canopy of leaves. The lighting is bright, suggesting a sunny day, and the overall atmosphere is peaceful and natural.

McKean County

**Clean & Green
Predicament**

Defining the Challenge

- ◆ Land enrolled in Clean & Green forest reserve or agricultural reserve is revalued each year by the Commonwealth
- ◆ Increase in market value of timber has nearly doubled the county reassessment in 1997
- ◆ Average assessed value of woodland was \$219/acre in 1997

Defining the Challenge(cont.)

Forest Reserve land

- ◆ **Rate established by the Commonwealth for 2006 is \$401/acre for Wooded Land**
- ◆ **We are the highest in the Commonwealth**
- ◆ **Commissioners have not followed the proposed increases from the Commonwealth in two years**
- ◆ **The current average assessed rate is \$291/acre for Wooded Land**

Defining the Challenge(cont.)

Agricultural Reserve land

- ◆ **Rate established by the Commonwealth for 2006 is \$408/acre avg for Agricultural Use/Reserve**
- ◆ **Commissioners have not followed the proposed increases from the Commonwealth in two years**
- ◆ **The current average assessed rate for Tillable is \$378/acre**
- ◆ **The current average assessed rate for non-tillable is \$60/acre**

PA Farmland and Forestland Assessment Act

Clean & Green Review Panel

**Private
Citizens**

Agriculture

**Commonwealth
Officials**

**County
Officials**

Clean & Green Panel Guidelines

- ◆ **Fairness to all landowners**
- ◆ **Fairness to municipalities & County**
- ◆ **Defensible**
- ◆ **Incentive to remain in the agriculture reserve or forest reserve**
- ◆ **Meets the Commonwealth's requirements**

Reviewed Alternatives

- ◆ **Do nothing – remain at the current rate**
- ◆ **Re-establish the base acre**
- ◆ **Institute the State's current values**
- ◆ **Return to rate established in 1997**
- ◆ **Some combination of the above**

Clean & Green Panel Recommendation

- ◆ **Rates should return to the level in 1997 when all the properties in the County were reassessed**

Change in Assessment Rate

	1997	2006	2007	Tax \$ Change
Base Acre	\$340			
Base Acre w/ Improvements	\$7,000	\$324 avg	\$324 avg	\$0
Tillable Acres	\$340 avg	\$416 avg	\$378	(\$8,382)
Non-Tillable Acres	\$219 avg	\$270 avg	\$245	(\$2,498)
Woodland Acres	\$219 avg	\$291 avg	\$255	(\$72,508)
Financial Impact				(\$83,388)

Change in Assessment Value

	2006	2007	Change
Base Acre	\$998,838	\$998,838	\$0
Tillable Acres	\$14,178,112	\$12,936,294	(\$1,241,818)
Non-Tillable Acres	\$3,829,950	\$3,459,890	(\$370,060)
Woodland Acres	\$89,778,738	\$79,036,740	(\$10,741,998)
Total	\$108,785,638	\$96,431,762	(\$12,353,876)

Conclusion

- ◆ **While the County's tax revenue will be reduced by an estimated \$83,000, the result returns landowners toward the 1997 rate.**
- ◆ **This treats property owners like homeowners whose assessed value has not changed since 1997**

Next Steps

- ◆ **Provide for public input**
- ◆ **Present to the Board of Commissioners for their decision**

A dirt road winds through a dense forest of tall, thin trees. The canopy is thick with green leaves, and sunlight filters through, creating a dappled light effect on the road. The text "Thank You!" is overlaid in the center of the image.

Thank You !