

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 638

PRINTER'S NO. 996

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

March 15, 2013

PRIME SPONSOR

Senator Vogel

HISTORY OF BILL

Referred to FINANCE, March 15, 2013
Reported as committed, April 10, 2013
First consideration, April 10, 2013
Second consideration, April 17, 2013
Re-referred to APPROPRIATIONS, April 17, 2013
Re-reported as amended, April 29, 2013

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 638, as amended, amends the Consolidated County Assessment Law (Chapter 88 of Title 53) to add "high tunnels", also known as hoop houses, as property that is exempt from all local and school district real estate taxes.

The legislation defines a "high tunnel" as a covered agricultural structure which meets the following:

1. Is used for the production of agricultural commodities, including any of the following:
 - i. Growing, processing or storing agricultural products.
 - ii. Shelter for the sale of agricultural products.
 - iii. Housing livestock.
 - iv. Storage of agricultural waste, equipment and other material used in agricultural production.
2. Is constructed consistent with all of the following:
 - i. Has a metal, wood or plastic frame.
 - ii. Has a plastic, woven textile or other flexible covering.
 - iii. Has a floor made of soil, crushed stone, matting, pavers or a floating concrete slab.
 - iv. Requirements determined by the Department of Revenue in consultation with the Department of Agriculture.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

The act shall take effect in 60 days.

FISCAL IMPACT:

Senate Bill 638 will have no adverse impact on Commonwealth funds.

Presently, high tunnels do not appear to be subjected to real estate tax in the vast majority of local jurisdictions. Information received through the Pennsylvania Department of Agriculture from agricultural associations suggests that only two counties are imposing or attempting to impose property tax on high tunnels. Therefore, Senate Bill 638 will have a minimal fiscal impact on local funds.