

# DEPARTMENT OF TAXATION

## 2001 Fiscal Impact Statement

1. **Patron:** Landes

3. **Committee:** Senate General Laws

4. **Title:** Fire and Rescue Zones and Districts:  
Special Tax on Real and Personal Property

2. **Bill Number:** HB 2087

**House of Origin:**

           **Introduced**

           **Substitute**

           **Engrossed**

**Second House:**

  X   **In Committee**

           **Substitute**

           **Enrolled**

### 5. **Summary/Purpose:**

This bill would remove any real property that has qualified for an agricultural or forestal use-value assessment from local fire and rescue zones or districts in any county with a population between 54,600 and 55,600. This bill would also exempt such real property, and all personal property located thereon, from the special local real and personal property taxes levied in these zones or districts in any county with a population between 54,600 and 55,600.

Under current law, localities may include real property that has qualified for an agricultural or forestal use-value assessment in local fire and rescue zones or districts and levy the special local real and personal property taxes levied in these zones or districts on such real property and all personal property located thereon.

The effective date of this bill is not specified.

6. **Fiscal Impact Estimates are:** Not available (See Line 8).

7. **Budget amendment necessary:** No.

### 8. **Fiscal implications:**

This bill would have no impact on state revenues. Any county with a population between 54,600 and 55,600 that levies the special local real and personal property tax levied in fire and rescue zones or districts may experience a decrease in revenues to the extent that it may not levy this special tax on real property that has qualified for an agricultural or forestal use-value assessment and the personal property located thereon. The negative revenue impact of this bill on those counties would be dependent on the rate of levy of the special taxes levied in fire and rescue zones or districts and the value of the real property that has qualified for an agricultural or forestal use-value assessment and the personal property located thereon.

**9. Specific agency or political subdivisions affected:**

Any county with a population between 54,600 and 55,600. Currently, only the County of Augusta satisfies the population criteria established by this bill.

**10. Technical amendment necessary:** No.

**11. Other comments:**

Localities that have adopted a land-use plan may adopt an ordinance providing for the special assessment (use value assessment) of real estate devoted solely to agricultural, horticultural, forest, or open-space use.

In valuing land at its use value, the assessing officer considers only the value of the real estate in its current use. The assessing officer does not consider the fair market value of the land at its most profitable use. Land use valuation is intended to encourage conservation by providing tax relief to the owner of real estate devoted solely to agricultural, horticultural, forest, or open-space use.

Any city or county may establish fire or rescue zones or districts. To maintain and operate fire departments and rescue squads in these zones or districts, the locality may levy a tax on all real and personal property located within such zones or districts that is otherwise subject to local taxation.

This bill would exclude any real property that has qualified for agricultural or forestal use-valuation, and the personal property located thereon, from such a zone or district in any county with a population between 54,600 and 55,600. This bill would also exempt such real and personal property from the special tax on all property located within such zones or districts.

Currently, only the County of Augusta satisfies the population criteria established by this bill.

c: Secretary of Finance

Date: 2/6/01/JEM

