

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

Senate Bill 295

**FISCAL
NOTE**

By Senator Rucker

[Introduced February 12, 2025; referred
to the Committee on Agriculture; and then to the
Committee on Finance]

1 A BILL to amend and reenact §11-1A-10 and §19-19-2 of the Code of West Virginia, 1931, as
 2 amended, relating to clarifying that solar farms are not agricultural operations or in the
 3 business of farming for purposes of agricultural production and taxation; and clarifying the
 4 definition of "agricultural operation".

Be it enacted by the Legislature of West Virginia:

CHAPTER 11. TAXATION.

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|-------------------|------------------|------------------|-------------|------------------|
| ARTICLE | 1A. | APPRAISAL | OF | PROPERTY. |
| §11-1A-10. | Valuation | of | farm | property. |

1 (a) With respect to farm property, the Tax Commissioner shall appraise such property ~~so as~~
 2 to ascertain its fair and reasonable value for farming purposes regardless of what the value of the
 3 property would be if used for some other purpose, and the value shall be arrived at by giving
 4 consideration to the fair and reasonable income which the property might be expected to earn in
 5 the locality wherein situated, if rented. The fair and reasonable value for farming purposes shall be
 6 deemed to be the market value of such property for appraisal purposes.

7 (b) A person is not engaged in farming if he or she is primarily engaged in forestry or
 8 growing timber. Additionally, a corporation is not engaged in farming unless its principal activity is
 9 the business of farming, and in the event that the controlling stock interest in the corporation is
 10 owned by another corporation, the corporation owning the controlling interest must also be
 11 primarily engaged in the business of farming: Provided, That the business of farming does not
 12 include the development, operation, or ownership of a solar farm, unless the solar arrays are
 13 elevated such that pasture animals may graze underneath: Provided, however, That any farm
 14 acreage on which solar arrays are not raised and the electricity generated from those solar arrays
 15 is sold commercially will not be considered farming for appraisal purposes: Provided further,
 16 That a farm will not lose its classification for appraisal purposes if solar panels are installed
 17 solely on the residence, barn, or other building or facility related to farming.

CHAPTER 19. AGRICULTURE.

ARTICLE 19. PRESERVATION OF AGRICULTURAL PRODUCTION.

§19-19-2.

Definitions.

For the purposes of this article:

(a) "Agriculture" shall mean the production of food, fiber and woodland products, by means of cultivation, tillage of the soil and by the conduct of animal, livestock, dairy, apiary, equine or poultry husbandry, and the practice of forestry, silviculture, horticulture, harvesting of silviculture products, packing, shipping, milling, and marketing of agricultural products conducted by the proprietor of the agricultural operation, or any other legal plant or animal production and all farm practices.

(b) "Agricultural land" shall mean any amount of land and the improvements thereupon, used or usable in the production of food, fiber or woodland products of an annual value of \$1,000 or more, by the conduct of the business of agriculture, as defined in subsection (a) of this section.

(c) "Agricultural operation" shall mean any facility utilized for agriculture: Provided, That "agricultural operation" does not include the development, operation, or ownership of a solar farm, unless the solar arrays are elevated so that pasture animals may graze underneath: Provided, however, That "agricultural operation" does not include any farm acreage on which solar arrays are not raised and the electricity generated from those solar arrays is sold commercially: Provided, further, That farm property will not lose its classification as an "agricultural operation" if solar panels are installed solely on a farm residence, barn, or other building or facility related to farming.

NOTE: The purpose of this bill is to clarify that solar farms are not agricultural operations or in the business of farming for purposes of agricultural production and taxation.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.