WEST virginia legislature

2025 regular session

Committee Substitute

for

Senate Bill 618

By Senators Thorne, Willis, Rose, Rucker, and Hart

[Reported March 13, 2025, from the Committee on Agriculture]

A BILL to amend and reenact §11-1A-10 of the Code of West Virginia, 1931, as amended, relating to allowing for reduced property valuation for certain farmland.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1A. APPRAISAL OF PROPERTY.

§11-1A-10. Valuation of farm property.

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

(b) A person is not engaged in farming if he or she is primarily engaged in forestry or growing timber. Additionally, a corporation is not engaged in farming unless its principal activity is the business of farming, and in the event that the controlling stock interest in the corporation is owned by another corporation, the corporation owning the controlling interest must also be primarily engaged in the business of farming.

(c) Notwithstanding the provisions of subsection (b) of this section, a corporation that is not engaged in the business of farming as its principal activity, but which owns farm property that is annually utilized to produce for sale, consumption, or use at least $20,000 of agricultural products, as that term is defined in §11-1A-3(g) of this code, shall be eligible to have such farm property appraised by the commissioner in the manner prescribed by subsection (a) of this section. All parcels of farm property owned by the corporation, regardless of whether contiguous or not, shall be considered together in determining whether the corporation's farm property produces at least $20,000 of agricultural products.

NOTE: The purpose of this bill is to authorize a reduced property appraisal to certain corporate owners of farm property in the state.

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