

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 387

**FISCAL
NOTE**

By Senator Thorne

[Introduced January 15, 2026; referred
to the Committee on Agriculture; and then to the
Committee on Finance]

1 A BILL to amend and reenact §11-1A-3 and §11-1A-10 of the Code of West Virginia, 1931, as
2 amended, relating to requiring the Commissioner of Agriculture to certify what is a farm for
3 tax purposes; and promulgating legislative rules.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1A. APPRAISAL OF PROPERTY.

§11-1A-3. Definitions.

1 As used in this article, unless the context clearly requires a different meaning:

2 (a) "Assessed value" of any item of property is its assessed value after the certification of
3 the first statewide reappraisal and shall be sixty percent of the market value of such item of
4 property regardless of its class or species, except as hereinafter specifically provided in this
5 article;

6 (b) "Base year" shall have the meaning ascribed to that term by the provisions of section
7 two of this article;

8 (c) "Commission" shall mean the West Virginia appraisal control and review commission;

9 (d) "Commissioner" or "Tax Commissioner" shall mean the chief executive officer of the
10 state Tax Department except in those instances where the context clearly relates to the West
11 Virginia appraisal control and review commission, in which case "commissioner" shall mean any
12 member of such commission;

13 (e) "Designated agent" shall mean a person, not directly employed by the Tax
14 Commissioner, who is designated by the Tax Commissioner to perform reappraisal functions
15 authorized or required by this article. Such term shall include, but not be limited to, agents and
16 independent contractors, and nothing in this article shall be construed to alter the relationship of
17 the State of West Virginia, or its officers, and such persons to create relationships not
18 contemplated by agreements between the Tax Commissioner and such persons;

19 (f) "Farm" shall mean and include land currently being used primarily for farming purposes,
20 whether by the owner thereof or by a tenant, and which has been so used for at least seasonally

21 during the year next preceding the then current tax year, but shall not include lands used primarily
22 in commercial forestry or the growing of timber for commercial purposes; and shall not include one
23 acre surrounding the principal residence situate on a farm which shall be valued as a homesite in
24 the same manner as surrounding homes and properties not situated on farmland, taking into
25 consideration such variables as location, resale value and accessibility. The commissioner of
26 agriculture shall formulate criteria upon which a parcel of land qualifies as a "farm" and certify The
27 ~~county assessor may require the assistance of the commissioner of agriculture in making a~~
28 ~~determination of whether a parcel of land qualifies as a "farm."~~

29 (g) "Farming purposes" shall mean the utilization of land to produce for sale, consumption
30 or use, any agricultural products, including, but not limited to, livestock, poultry, fruit, vegetables,
31 grains or hays or any of the products derived from any of the foregoing, tobacco, syrups, honey,
32 and any and all horticultural and nursery stock, Christmas trees, all sizes of ornamental trees, sod,
33 seed and any and all similar commodities or products including farm wood lots and the parts of a
34 farm which are lands lying fallow, or in timber or in wastelands;

35 (h) "Property situate in this state" shall mean:

36 (1) Property having legal situs in this state; or

37 (2) In the case of persons with a place of business located in this state and authorized to do
38 business in this state and one or more other states of the United States or any foreign country:

39 (A) Any tangible property brought into this state from time to time or otherwise deemed to
40 have situs in this state for purposes of ad valorem property taxation, and

41 (B) Any intangible property held by such person, wherever evidence thereof is situate. In
42 the case of assessment of such intangible property for ad valorem property taxation after the first
43 statewide reappraisal only such part thereof as may be determined by applicable law or regulation
44 to be subject to such taxation shall be deemed to be situate in this state;

45 (i) "Value," "market value" and "true and actual value" shall have the same meaning and
46 shall mean the price at or for which a particular parcel or species of property would sell if it were

47 sold to a willing buyer by a willing seller in an arm's length transaction without either the buyer or
48 the seller being under any compulsion to buy or sell: *Provided*, That in determining value, primary
49 consideration shall be given to the trends of price paid for like or similar property in the area or
50 locality wherein such property is situate over a period of not less than three nor more than eight
51 years next preceding the base year and in the case of a farm or farms shall be determined
52 assuming such land is being used for farming purposes. In addition, the commissioner may, for
53 purposes of appraisement of any tract or parcel of real property, or chattels, real or other species of
54 property, real or personal, take into account one or more of the following factors: (1) The location of
55 such property; (2) its site characteristics; (3) the ease of alienation thereof, considering the state of
56 its title, the number of owners thereof, and the extent to which the same may be the subject of
57 either dominant or servient easements; (4) the quantity of size of the property and the impact
58 which its sale may have upon surrounding properties; (5) if purchased within the previous eight
59 years, the purchase price thereof and the date of each such purchase; (6) recent sale of, or other
60 transactions involving comparable property within the next preceding eight years; (7) the value of
61 such property to its owner; (8) the condition of such property; (9) the income, if any, which the
62 property actually produces and has produced within the next preceding eight years; and (10) any
63 commonly accepted method of ascertaining the market value of any such property, including
64 techniques and methods peculiar to any particular species of property if such technique or method
65 is used uniformly and applied to all property of like species.

§11-1A-10. Valuation and certification 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 appraisement 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.

12 (c) Starting the 2027 tax year, the commissioner of agriculture shall certify that a parcel of
13 land is a farm for the purposes of this chapter.

14 (d) A property owner may submit an application to the commissioner of agriculture to certify
15 a parcel of property as a farm for the purposes of this chapter.

16 (e) The commissioner of agriculture shall propose rules for legislative approval in
17 accordance with the provisions of §29A-3-1 et seq. of this code developing a process for certifying
18 whether parcel of land qualifies as a "farm".

NOTE: The purpose of this bill is to require the commissioner of agriculture to certify a farm for tax purposes.

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