

HJR 82 -- LAND VALUE TAXATION

SPONSOR: Kirkton

Upon voter approval, this proposed constitutional amendment allows a pilot program to be established by up to three cities to develop a plan for implementation of land value taxation within the cities that would increase the division of class 1 property into two additional subclasses. Subclass 4 would include land or land exclusive of buildings, and subclass 5 would include buildings on land.

The State Tax Commission must establish an application procedure and criteria for the pilot program and must notify the governing body of each city within the state of the program and application process.

If selected for the program, the governing body of a city must appoint a committee consisting of a representative of the governing body, a representative of the local business community, a land use attorney, and any citizen of the city deemed relevant by the governing body.

The committee must prepare a plan for implementation which includes the following:

- (1) A process for implementation of differentiated tax rates;
- (2) Designation of geographic areas within the city in which the differentiated tax rates will apply; and
- (3) Identification of any legal or administrative issues affecting the plan.

Upon approval by the committee, the plan must be submitted to the State Tax Commission for review. The plan will go into effect January 1 following the year in which the State Tax Commission approves the plan. The General Assembly may provide by law for changes to any plan or its procedures or to direct the commission to approve a particular plan.