

HJR 46 -- PILOT PROGRAM FOR A CITY LAND VALUE TAX

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Upon voter approval, this proposed constitutional amendment authorizes a pilot program to develop a plan for implementation of land value taxation within the borders of up to three cities in the state. Class 1 property will be further divided into subclass (4) land or land exclusive of buildings, and subclass (5) buildings on land. The State Tax Commission must establish an application procedure and any other criteria for the pilot program and notify the governing body of each city within the state of the program and application process. Upon selection by the commission, the governing body of each city must appoint a committee consisting of (1) a representative of the governing body; (2) a representative of the local business community; (3) a land use attorney; and (4) any citizen of the city deemed relevant by the governing body. The committee must prepare a plan for implementation which must include 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 shall apply; and (3) identification of any legal or administrative issues affecting the plan. Upon approval by the committee, the plan will be submitted to the commission for its review. The plan will go into effect January 1 following the year in which the 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.