

1 AN ACT relating to the assessment of property for ad valorem taxation.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 132.450 is amended to read as follows:

4 (1) **(a)** Each property valuation administrator shall assess at its fair cash value all  
5 property which it is his duty to assess, except as provided in paragraph (c) of  
6 subsection (2) of this section.

7 **(b)** The property of one (1) person shall not be assessed willfully or intentionally  
8 at a lower or higher relative value than the same class of property of another,  
9 and any grossly discriminatory valuation shall be construed as an intentional  
10 discrimination.

11 **(c)** The property valuation administrator shall make every effort, through visits  
12 with the taxpayer, personal inspection of the property, from records, from his  
13 own knowledge, from information in property schedules, and from such other  
14 evidence as he may be able to obtain, to locate, identify, and assess property.

15 **(d) *The property valuation administrator shall not use the asking price of a***  
16 ***property actively listed for sale as evidence in determining the fair cash***  
17 ***value of property unless the property valuation administrator can***  
18 ***demonstrate through other evidence that the asking price is the price the***  
19 ***property would bring at a fair voluntary sale.***

20 (2) (a) In determining the total area of land devoted to agricultural or horticultural  
21 use, there shall be included the area of all land under farm buildings,  
22 greenhouses and like structures, lakes, ponds, streams, irrigation ditches and  
23 similar facilities, and garden plots devoted to growth of products for on-farm  
24 personal consumption but there shall be excluded, land used in connection  
25 with dwelling houses including, but not limited to, lawns, drives, flower  
26 gardens, swimming pools, or other areas devoted to family recreation. Where  
27 contiguous land in agricultural or horticultural use in one (1) ownership is

1 located in more than one (1) county or taxing district, compliance with the  
2 minimum requirements shall be determined on the basis of the total area of  
3 such land and not the area of land which is located in the particular county or  
4 taxing district.

5 (b) Land devoted to agricultural or horticultural use, where the owner or owners  
6 have petitioned for, and been granted, a zoning classification other than for  
7 agricultural or horticultural purposes qualifies for the agricultural or  
8 horticultural assessment until such time as the land changes from agricultural  
9 or horticultural use to the use granted by the zoning classification.

10 (c) When the use of a part of a tract of land which is assessed as agricultural or  
11 horticultural land is changed either by conveyance or other action of the  
12 owner, the right of the remaining land to be retained in the agricultural or  
13 horticultural assessment shall not be impaired provided it meets the minimum  
14 requirements, except the minimum ten (10) contiguous acre requirement shall  
15 not be applicable if any portion of the agricultural or horticultural land has  
16 been acquired for a public purpose as long as the remaining land continues to  
17 meet the other requirements of this section.

18 (d) When in the opinion of the property valuation administrator any land has a  
19 value in excess of that for agricultural or horticultural use the property  
20 valuation administrator shall enter into the tax records the value of the  
21 property according to its fair cash value. When the property valuation  
22 administrator determines that the land meets the requirements for valuation as  
23 agricultural or horticultural land, the valuation for tax purposes shall be its  
24 agricultural or horticultural value.

25 (3) When land which has been valued and taxed as agricultural land for five (5) or more  
26 consecutive years under the same ownership fails to qualify for the classification  
27 through no other action on the part of the owner or owners other than ceasing to

1 farm the land, the land shall retain its agricultural classification for assessment and  
2 taxation purposes. Classification as agricultural land shall expire upon change of  
3 use by the owner or owners or upon conveyance of the property to a person other  
4 than a surviving spouse.

5 (4) If the property valuation administrator assesses any property at a greater value than  
6 that listed by the taxpayer or assesses unlisted property, the property valuation  
7 administrator shall serve notice on the taxpayer of such action. The notice shall be  
8 given by first-class mail or as provided in the Kentucky Rules of Civil Procedure.

9 (5) Any taxpayer may designate on the property schedule any property which he does  
10 not consider to be subject to taxation, and it shall be the duty of the property  
11 valuation administrator to obtain and follow advice from the department relative to  
12 the taxability of such property.