



News for Immediate Release

June 30, 2012

Governor Corbett Ends Burden for Farmers by Eliminating Inheritance Tax New law is a victory for Pennsylvania farm families

Harrisburg – Landmark legislation signed today by Governor Tom Corbett makes it easier for Pennsylvania farms to transition between generations.

The legislation eliminating the Pennsylvania inheritance tax on farms takes effect immediately and applies only to working farms. Pennsylvania farmers can now pass their farms on to their heirs without worrying they will have to pay steep “death taxes” to keep them in the family.

“The death tax has forced too many families to sell their legacy, their land and their way of life,” said Governor Corbett. “This tax has put too many farms out of business because it was too expensive for farmers to pass them down to their children. This will happen no more. We intend to save our farms.”

Previously when a landowner died, heirs to their farm property had to pay an inheritance tax of 4.5 percent if they were adult children and 12 percent if they were siblings of the deceased.

“The inheritance tax has been a burden on farm families for decades,” said Agriculture Secretary George Greig. “By eliminating this tax, Governor Corbett solidified his commitment to Pennsylvania farm families, and to keeping farmers farming for generations. This law provides farmers the opportunity to save thousands of dollars in inheritance tax, allowing them to reinvest in their agricultural operations.”

PAgrows, the Agriculture Department’s economic development initiative, can help farmers understand farm transition and finances, including state and federal grant and low interest loan programs to grow their operations. Visit www.pagrows.com or call 717-705-9513.

Agriculture is the number one industry in Pennsylvania with more than 63,000 farm families and 7.65 million acres of farmland, generating \$5.7 billion in cash receipts. Visit www.agriculture.state.pa.us.

Media contact: Samantha Elliott Krepps, 717-787-5085

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