

Payment in Lieu of Taxes (PILT) Fact Sheet

- The Office of the Secretary, Department of the Interior, administers the payment in lieu of taxes (PILT) program, which makes Federal payments to local governments which have certain Federal lands within their boundaries.
- The Department's responsibilities are to calculate the payments according to the formulas established by law and to distribute the funds appropriated by Congress. Public Law 97-258, as amended, (Chapter 69 of Title 31 of the United States Code) is the statute under which such payments are made.
- Payments are computed based on the number of acres of Federal entitlement land within each county. Entitlement lands include those within the National Forest System and the National Park System, those managed by the BLM, those affected by Federal water resources development projects, and other Federal lands mentioned specifically above.
- In addition to the calculations which determine the payment, the total appropriation by Congress also impacts the amount paid in any year under PILT.
- Currently, Somerset County, Pennsylvania receives payment on 1,530 acres administered by the Army Corps of Engineers. In 2008 Somerset County received \$3,504 dollars as payment from the Federal government in lieu of taxes on those 1,530 acres.
- Starting in June 2009, payment will also be made on one tract of land (Vish property) that was acquired by the National Park Service during fiscal year 2008 (prior to September 30, 2008). The calculations for the payment to be made in June 2009 are not yet completed.
- The Stutzman and O'Barto Tracts were conveyed in fiscal year 2009 and therefore the first PILT payment made for these two properties will be in June 2010, per the payment schedule
- PILT payments are defined by formula within the law. Current legislation has authorized the full 100% payment of PILT amounts to municipalities through the year 2012. The 100% payment authorization was retroactive to 2007
- The current tax liability for all tracts of land required for the development of the memorial is estimated between \$15,000 to \$18,000.

May 2, 2009