Secretary Salazar Announces $381.6 Million in 2009 PILT Payments to Local Governments with Federal Lands

Program Will Give Boost to Local Communities

WASHINGTON, D.C. – Secretary of the Interior Ken Salazar announced today that approximately 1,850 local governments with federal land in their jurisdictions will receive $381.6 million this year under the Payments in Lieu of Taxes (PILT) Program to help offset forgone tax revenue.

The $381.6 million for the 2009 represents almost four percent more for the PILT program, as authorized last year by the Emergency Economic Stabilization Act of 2008. To view the 2009 PILT allocations by county, click here.

“Each year, counties with federal lands rely on the PILT program to help offset lost tax revenues and to pay for essential services such as firefighters, first responders, schools, water systems, and roads,” said Secretary Salazar. “This year in particular, with economic pain felt across the country, the PILT program will help local communities weather the storm. Thanks to many leaders in Congress, the federal government is able to meet its responsibilities to county governments through the PILT program.”

The total 2009 PILT payments are $13.6 million higher than payments made in 2008. This reflects the result of annual inflationary adjustments to the per acre and population variables used in the formula to compute payment amounts.

Payment eligibility is reserved for local governments (usually counties) that contain nontaxable federal lands and provide government services related to public safety, housing, social services, transportation and the environment.

PILT payments are calculated using a formula provided in statute. The annual PILT payments to local governments are computed based on the number of acres of federal entitlement land within each county or jurisdiction and the population. The lands include the National Forest and National Park Systems, those managed by the Bureau of Land Management, those affected by Corps of Engineers and Bureau of Reclamation water resource development projects, and others.
Individual local government payments may vary from the prior year as a result of changes in acreage data, which is updated yearly by the federal agency administering the land, and population data, which is updated using data from the U.S. Census Bureau.

For purposes of calculating the 2009 payment, the per acre amounts are adjusted from the 2008 payment of $2.29 per acre and thirty-two cents per acre to $2.37 and thirty-three cents per acre, and the population variables are adjusted from $61.41 - $153.50 to $63.68 - $159.18 per capita. The 2009 payment will fund 99 percent of the authorized level of $381.6 million. There is a deduction of $400,000 for program administration.

The computation also adjusts the payment for the level of prior-year revenue payments and the amount that a local government receives under Sections 6904 and 6905 of the PILT Act. Revenue payments are federal payments made to local governments under programs other than PILT during the previous year. These include those made under the Refuge Revenue Sharing Fund, the National Forest Fund, the Taylor Grazing Act, the Mineral Leasing Act, the Federal Power Act, and the Secure Rural Schools and Community Self-Determination Act of 2000. Sections 6904 and 6905 provide additional payments for additions to the National Park System and National Forest Wilderness areas.

As a result of increases in Forest Service timber payments, reductions in PILT entitlement land, expiration of section 6904/5 payments and payments falling below the $100 threshold, the total 2009 PILT payments to the following nine states will be lower than their 2008 payments: Alabama, Kentucky, Maryland, Missouri, New Jersey, North Dakota, Pennsylvania, Puerto Rico, and Rhode Island.

In addition, due to changes in acreage reported, the FY 2009 PILT payments to eighteen counties in Oregon will be increased by $3.8 million. The state-by-state list of PILT payments follows.

A complete list of funding by state is online at:

http://www.doi.gov/pilt

Audio of Secretary Salazar is available at: