

[From Fall 1996]

Refuge Revenue Sharing

Although the federal government does not pay real estate taxes on lands they own, payments in lieu of taxes are made to local governments for areas administered by the Secretary of the Interior through the U.S. Fish and Wildlife Service in accordance with the Revenue Sharing Act of 1935.

These payments are made to the local government unit that is the primary collector of general purpose real property taxes where the U.S. Fish and Wildlife Service owns land. The funds used to make these payments do not come from the personal income taxes we pay to the IRS; they come from revenues received by the refuges across the nation from such activities as grazing fees, timber receipts, oil and gas leases, etc.

The amount of the payments is based on one of three formulas: 75 cents per acre; three-fourths of 1 percent of the fair market value; or 25 percent of the net receipts collected by the refuge during the year. Selection of the formula used is based on the one that most benefits the local government.

Recently, the revenue sharing checks for the Chincoteague National Wildlife Refuge, were distributed to local governments, with payments based on the fair market of the land. With the recent reappraisal that was done to comply with the requirement for land reappraisals to be made every five years, record payments were received by Accomack County, the Town of Chincoteague, and Worcester County. Checks were presented to each of the three in the amounts of \$208,470, \$5,864, and \$618, respectively.

The payments can be used for any governmental purpose, and represent one way the National Wildlife Refuge System supports local governments.