

## The Managed Forest Law can Lower Your Property Tax Bill

*By Joel Green, DNR Forestry Technician*

Landowners will be getting their property tax bills soon. It's the time of year that we in the DNR Forestry Office get a large number of calls about the Managed Forest Law. The Managed Forest Law (MFL) Program is a landowner incentive program to encourage sustainable forestry in the private woodlands in Wisconsin. Together with landowner objectives, the law incorporates timber harvesting as a tool to enhance wildlife management, water quality, and recreation so that we maintain healthy and productive forests.

The intention of this program is to provide forest resources for our state's economy through sustainable forestry. This is accomplished through a management plan written by a professional forester and agreed to by the landowner. The management plan is a legally binding document once it is signed by the landowner. The management plan incorporates several management practices. Some of those management practices are mandatory. Mandatory practices usually include one or two timber harvests over the life of the management plan. There may also be mandatory tree planting if the stocking of a plantation is below the minimum acceptable seedlings per acre. Mandatory practices must be carried out if they are written in the plan. Landowners agree to the mandatory practices when they sign the management plan. The contract is for either 25 or 50 years.

In return for following the management plan, a landowner receives a reduced property tax rate for each acre entered in to the program.

Currently, the property tax rate is \$.83 per acre for property that is open to the public and \$1.95 per acre for property that is closed to public use. An individual landowner may only have 80 acres closed to public use per township entered into the program. Any MFL acreage over 80 in a single township, under the same landowner or owners, must be open to the public.

### Frequently Asked Questions:

#### ***What land is eligible?***

An eligible entry must be at least 10 contiguous acres in size with at least 80% of the entry made up of productive forest. The acreage cannot be within a city or village limits.

#### ***What is productive forest?***

Productive forest is defined as capable of producing at least 20 cubic feet of wood per acre per year. Most woodlands are productive enough to qualify.

#### ***What restrictions does this program place on my land use?***

Generally any activity that is consistent with sound forestry is allowed. Hunting, fishing, cutting firewood for personal use, are all acceptable uses. You cannot build a house or have a house on MFL land. You cannot graze domestic animals on MFL land. It cannot be an orchard or cropland. This is not an exhaustive list of do's and don'ts but these are the common issues that come up.

What can the DNR make me do with my land? As mentioned above, most properties will have at least one mandatory timber harvest scheduled in the management plan. The harvest is based on a harvest prescription that is outlined in the management plan. A landowner will have a good idea of

what type of harvest needs to occur before they sign the plan. A plan can be changed if both the landowner and the DNR agree to the change. There are a few other specific cases when practices can be made mandatory but these don't affect most landowners.

***What happens if I don't carry out a mandatory harvest?***

If a landowner fails to make an effort to have a harvest carried out, the MFL entry can be involuntarily withdrawn from the program and a penalty will be assessed.

***Can the DNR Foresters help me with my timber sale?***

While the DNR cannot carry out a timber harvest for you, we are here to help. We can offer some guidance and information to landowners. We can provide lists of loggers and of Cooperating Consulting Foresters. Consulting Foresters are hired by you and can act as your agent in the timber harvesting process. There is also a 5% Yield tax based on the volume of wood removed from the MFL entry.

***Can I sell the land if it's in the program?***

A MFL entry can be transferred to a new owner as long as all of the MFL entry in a forty is transferred to a single owner. There are some other restrictions that apply in certain cases.

***What if I decide that I don't want to be in the program anymore?***

A landowner may withdraw their acreage from the MFL. Withdrawal does carry a penalty. The penalty is equal to the current tax rate multiplied by the number of years that a parcel was in the program, minus whatever acreage taxes have been paid during that time period.

***What happens at the end of the 25 or 50 year contract?***

There is no penalty or assessment if the land stays in the program for the entire contract.

***Where do I get an application and when does it have to be in to the DNR?***

You can get applications from our local DNR Forestry office. Applications and attachments must be postmarked by January 31, 2004 for the land to go into the program on January 1, 2005. An application does not commit you to entering the program. All it does is start the process.

This is a very brief overview of the Managed Forest Law Program. It does not include all of the information that might apply in your case. Please contact your DNR office at the number on the back of this newsletter for more information.