

Timber Property and Severance Tax Programs

By Clint Bentz, CPA

January 26, 2015

1. Introduction
 - a. Oregon offers special assessment programs to encourage commercial timber production.
 - b. Property taxes based on value of land as forestland, or in STF program, 20% of value.
 - c. All timber harvested subject to Forest Products Harvest Tax.
 - d. If property is in Small Tract Forestland program, timber harvests also subject to Severance Tax.
2. Before harvesting, must obtain a Notification of Operation from ODF, including legal description of property, name of operator, name of timber owner and name of landowner. Valid for one calendar year.
3. Owner of the timber at the time the timber is first measured is responsible for the Harvest Tax.
 - a. Timber deed – holder of the deed
 - b. Land and timber sale – purchaser
 - c. Sale of logs on the landing – purchaser
 - d. Logs sold to mill at yard – timber owner
4. Forest Products Harvest Tax is paid on all timber cut from all lands in Oregon regardless of property tax program, zoning, etc.
 - a. Form 201 is mailed to the “timber owner” listed on the Notice of Operations by the ODR in Nov/Dec. If receive the form, must file regardless of whether or not there was a harvest. Check “no harvest” box.
 - b. Rate of tax in 2014 and 2015 is \$3.5316/MBF based on net board feet.
 - c. Tax supports: Oregon Forest Resources Institute 28%, Forest Practices Act enforcement 27%, OSU Forest research lab 24%, Emergency fire fighting fund 18%, and OSU College of Forestry 3%.
 - d. If you expect to owe more than \$1,500, must make quarterly estimate payments in advance.
 - e. Tax is due Jan 31 in the year following the harvest.
 - f. Tax is owed on logs scaled as “utility cull” grade and better and logs sold by the ton, as well as chips unless they are made from logs that do not meet “utility cull” grade or better.
 - g. Tax is based on MBF rounded to nearest MBF. First 25 MBF is exempt from the tax.
 - h. Conversions from tons are as follows:
 - i. Loads of logs where fewer than 10% of logs are 8” in diameter use a factor of 11 tons/MBF.
 - ii. Loads of logs where 10 percent or more of logs are 8” in diameter use a factor of 7.5 T/MBF.
 - iii. Chips made from dead conifer logs use a conversion factor of 5 tons/MBF.
 - iv. Chips made from green conifer or hardwood logs use a factor of 11 tons/MBF.
 - i. Conversion factors for poles:
 - i. Up to 60’ length is 8 poles/MBF
 - ii. Over 60’ length is 3 poles/MBF
 - j. Records required to keep for six years:
 - i. Mill receipts/records showing volume of timber harvested.
 - ii. Any written agreements related to the ownership and harvest of timber.
 - iii. Map showing location of the harvest unit.
 - iv. Original records of scaling, measuring and grading of harvested timber.
 - v. Any other bills, receipts, invoices or documents used in preparation of harvest tax returns.
5. If harvest is on land enrolled in Small Tract Forestland program, also owe a Severance Tax on harvested timber.
 - a. Form 390 (WO) or 391 (EO) is mailed to timber owner listed in notice of operations. ODR maintains list of landowners in program.
 - b. Rate of tax in 2014 was \$4.03/MBF Eastside and \$5.18/MBF Westside. Based on net board feet. Rate normally increases 3%/year.
 - c. 19 Westside counties: Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Washington & Yamhill.

- d. 17 Eastside counties: Baker, Crook, Deschutes, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco & Wheeler.
 - e. Tax is distributed to State School fund 60.5%, County Fund 35%, and Community College Support Fund 4.5%. County allocations depend on percentage of land they have in the STF program.
 - f. No requirements for quarterly estimated payments.
 - g. No 25 MBF exemption.
 - h. Only assessed against logs or chips that meet sawmill grades or better – utility grades and lower and chips sold as hog fuel from utility grades are excluded. Secondary products manufactured in the woods eg. shake/shingle bolts, fence posts, firewood, arrow bolts, etc. are also exempt from the Severance Tax.
 - i. Tax is due Jan 31 in year following harvest.
 - j. Must file if receive form. If harvest from land not enrolled in STF, check “exempt land” box. Property tax account numbers are used to identify land enrolled in STF program.
 - k. Conversion factors same as Harvest tax except no conversion for dead trees sold as chips since this is not a sawmill grade product.
6. Farm Woodlot property tax program.
- a. If specially assessed farmland has a timbered area adjacent to farmed land, up to 20 acres of timbered land may be designated as a farm woodlot. The land is valued as if it were used for farm purposes. There is no minimum stocking requirements, but the land must be growing trees.
7. Home sites.
- a. Home sites are valued separately from the forestland.
 - b. Qualifying home sites used in conjunction with more than 10 acres of qualifying forestland receives a special assessment for the land under the dwelling. The land value equals the average market land value of all land of common ownership contiguous to the home site, plus a maximum of \$4,000 for on-site developments – eg. Septic, well, landscaping, etc.
8. Designated Forestland property tax program.
- a. Property value for property tax assessment set in statute to equal highest and best use forestland value.
 - b. Application must be made by April 1 for following property tax year (July – June).
 - c. Application made with County Assessor.
 - d. Requirements:
 - i. At least 2 contiguous acres, not bound by tax lot. Can apply for a portion of a tax lot.
 - ii. Being held or used for the predominate purpose of growing and harvesting trees of a marketable species and has been “designated” as forestland through application to the county assessor, or is land for which the highest and best use is to grow and harvest such trees.
 - iii. Marketable species must: be ecologically suited to the planting site; is capable of producing wood products suitable for the production of lumber, sheeting, pulp, or other wood products; and must be marketable in the foreseeable future.
 - iv. Must meet minimum stocking requirements in Forest Practices Act (200 trees/acre ftg) or have a written reforestation plan to achieve minimum stocking requirements. At least 20% of land must be reforested each year so that by end of fifth year entire property meets minimum requirements.
 - v. Rock pits < 5% of land, forest roads, right of ways, easements, and isolated openings that don’t meet stocking requirements are also classified as forestland if integral to the forest operation.
 - e. Assessor must approve application if meets requirements.
 - f. Removal of designation. The county assessor shall remove the forestland designation upon:
 - i. Request of the landowner,
 - ii. Sale or transfer of the land to an entity exempt from property taxation,
 - iii. Recording a subdivision plat under ORS Chapter 92, or
 - iv. Discovery by the assessor that the land no longer qualifies as forestland.
 - g. If designation is removed, an additional tax will be added to the next property tax roll equal to the difference between the taxes assessed and the taxes that would have been assessed absent the special

designation for each of the five previous years or the number of years in the Designated Forestland program, whichever is less, plus interest on the unpaid tax.

9. Small Tract Forestland property tax program.
 - a. Value of forestland for property tax assessment equals 20% of Designated Forestland value.
 - b. Application must be made by April 1 for following property tax year (July – June), or within 30 days of assessor’s notice of intent to disqualify.
 - c. Application made with County Assessor.
 - d. Must own at least 10 acres and less than 5,000 acres of Designated Forestland property, including land held by entities where the individual has more than 50% ownership.
 - e. Election made on a tax parcel basis. All forestland within a tax lot must be included in the STF program, even if the tax lot is divided by a road, stream, etc.. All contiguous tax parcels (boundaries greater than a single point) must be enrolled together. No minimum acres to enroll in the program (can enroll less than 10 acres). An owner may have lands in both the STF and Designated Forestland programs as long as the tax lots are not contiguous.
 - f. Forestland must meet the minimum stocking requirements applicable for the Designated Forestland program. Land other than highest and best use forestland must have an application for designation of land as forestland before the STF option can be approved.
 - g. Property can’t have been disqualified from STF in any of the previous five years.
 - h. Assessors must issue a notice of intent to disqualify with 15 months of the date of sale or transfer of the land to new ownership.
 - i. Must notify the county assessor in writing if you:
 - i. Acquire tax lots contiguous to STF property,
 - ii. Acquire forestland that results in owning more than 5,000 acres,
 - iii. Sell forestland that results in owning less than 10 acres,
 - iv. Change in use of any portion of STF property to a non forest use.
 - j. If the property is disqualified, an additional tax will be added to the next property tax roll equal to the difference between the tax assessed and the tax that would have been assessed under the Designated Forestland program for the lesser of the time the property was in the STF program or the previous 10 years without interest.
 - k. Pay a Severance tax on harvest of timber. Severance tax rate modeled to equal 80% of property tax over the rotation assuming sustained yield harvest for program as a whole. No deferred tax on individual parcels.
10. Choosing between Designated Forestland and Small Tract Forestland programs.
 - a. See Advantages and Disadvantages handout.
 - b. See General Application Overview Diagram.
 - c. See Break-Even Formula, describe “Landowner Model” spreadsheet located at www.Oregon.Gov/DOR/Timber/Pages/Training.aspx
11. Oregon Forestland Values – review chart.
12. Wildlife Habitat Conservation and Management program.
 - a. Created in 1997 to encourage landowners to protect and enhance fish and wildlife habitat.
 - b. Managed by ODFW, not Oregon Dept of Forestry.
 - c. Property must be zoned EFU or Farm/Forest.
 - d. Property enrolled qualifies for forestland values if meets stocking standards, or for farmland values if it does not meet stocking standards. No special assessment of home sites.
 - e. Landowner, in conjunction with a cooperating agency, must develop an approved wildlife habitat conservation and management plan that specifies the practices that will be conducted to protect and restore native habitat and wildlife species.
 - f. Only 15 counties currently participate in the program: Benton, Clackamas, Columbia, Deschutes, Douglas, Hood River, Lake, Lane, Marion, Morrow, Multnomah, Polk, Sherman, Washington, Wheeler.

Advantages and Disadvantages of Electing the STF Option

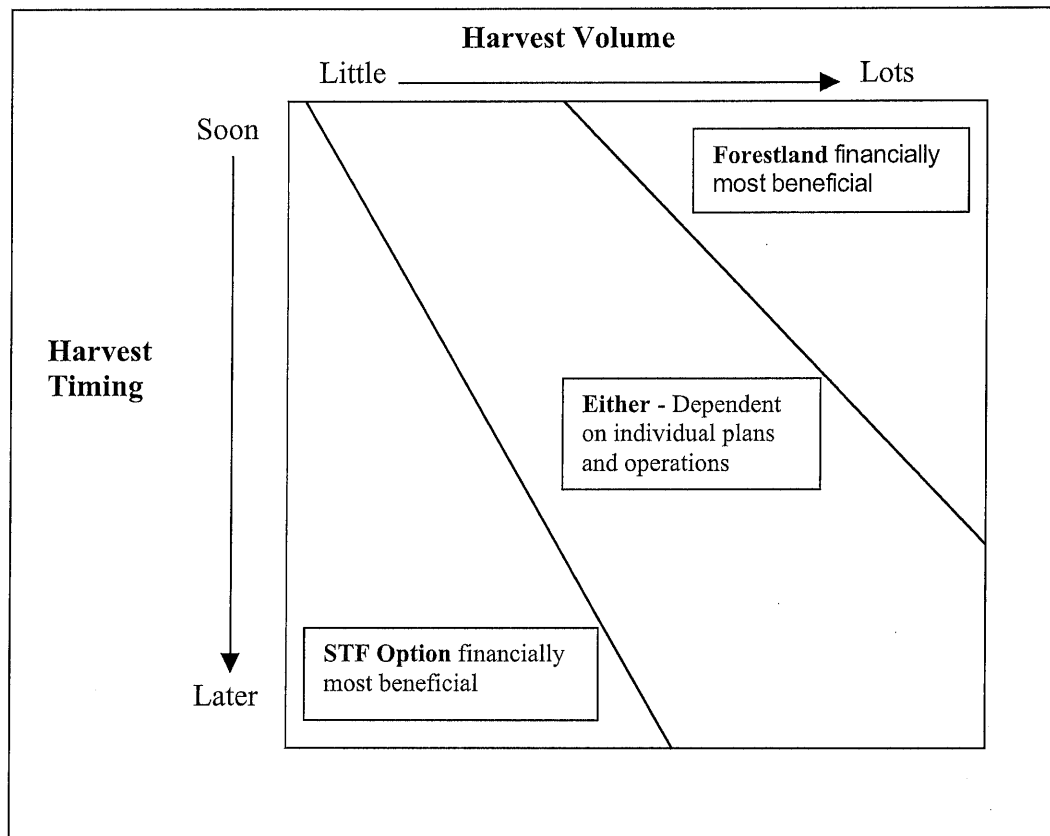
Advantages:

- Time property tax payments with cash flows from harvest.
- Pay annual property taxes based on 20% of the Forestland values.
- Simplified method of computing Severance tax at harvest based on volume sold.
- Severance tax only paid on sawmill grades and better.
- No Severance tax on utility grades.
- Growth in future tax rates tied to growth in underlying property tax values.
- Severance tax rate assumes average growth on an average stand in Western & Eastern Oregon.
- Can elect to place non-contiguous stands in different tax programs.
- New owners and transferees (within 30 days of transfer) can elect to remain in the STF Option without paying rollback of back taxes.
- Can elect into the STF Option at any time. Election is required by April 1 of any year to be effective for that year and all future years.

Disadvantages:

- If substantial amounts of timber (above sustained yield amounts) are harvested early on, could pay more Severance taxes at harvest than would be due on an annual basis under the Forestland program.
- Severance tax rate assumes average growth on an average stand in Western & Eastern Oregon.
- Election is irrevocable. Once made, can only be changed by selling or transferring the property, or changing to a non-forestry use.
- If property sold or transferred and the new owner does not elect to continue in the STF Option, additional taxes of up to ten years of amounts deferred under the STF Option compared to the Forestland program.
- Must place all contiguous tax lots in this program.
- Severance Tax returns need to be filed for harvests from STF lands.

General Application Overview Diagram



Factors Affecting STF Option Decision

	Greater Tax Savings	Less Tax Savings
Productivity Class - Western Oregon only	High Productivity →	Low Productivity
Property Tax Rate	Higher Tax Rate →	Lower Tax Rate
Management Intensity	Lower Tbr Mgmt Intensity →	Higher Tbr Mgmt Intensity
Rotation Length	Shorter Rotation Length →	Higher Rotation Length
Opportunity Investment of Delayed Tax	Investment at High Rate →	No Investment
Harvest Timing	Delayed Harvest →	Harvest Now
Projected Length of Property Ownership	More than 10 years →	Immediate sale

1st Approximation: Break-Even Formula

$$\frac{\text{Property tax deferred annually (\$)}}{\text{Severance Tax Rate (\$/MBF)}} = \text{Annual Break-Even Volume (MBF)}$$

$$\frac{\$600}{\$3.89/\text{MBF}} = 154.24 \text{ MBF}$$

⊕ CONCLUSION

- If harvesting *more* than 154 MBF/year → choose FORESTLAND Program
- If harvesting *less* than 154 MBF/year → choose STF Option

⊕ ASSUMPTION TO MAKE B-E FORMULA WORK:

- Must harvest the same amount annually

OREGON FORESTLAND VALUES

FOR

JULY 1, 2014 – JUNE 30, 2015

Western Oregon

	Forestland Program		Small Tract Forestland Program	
Forestland Class	MSAV	SAV	20% MSAV	20% SAV
FA	\$622.86	\$1,012.00	\$123.58	\$ 202.40
FB	\$494.13	\$ 801.00	\$ 98.06	\$ 160.20
FC	\$413.83	\$ 673.00	\$ 81.92	\$ 134.60
FD	\$351.54	\$ 573.00	\$ 69.83	\$ 114.60
FE	\$233.88	\$ 380.00	\$ 45.65	\$ 76.00
FF	\$168.81	\$ 275.00	\$ 33.54	\$ 55.00
FG	\$ 70.55	\$ 117.00	\$ 13.36	\$ 23.40
FX	\$ 8.26	\$ 11.70	\$ 1.30	\$ 2.34

Eastern Oregon

	Forestland Program		Small Tract Forestland Program	
Forestland Class	MSAV	SAV	20 %MSAV	20% SAV
Eastern Oregon	\$ 70.55	\$ 140.00	\$ 13.36	\$ 28.00

MSAV – Maximum Specially Assessed Value (Measure 50)

SAV – Specially Assessed Value (ORS 321.207)

20% MSAV – 20% Maximum Specially Assessed Value for qualified Small Tract Forestland Program properties (Measure 50)

20% SAV – 20% Specially Assessed Value for qualified Small Tract Forestland Program properties (ORS 321.722)

Special Assessment Programs for Forestland



www.oregon.gov/dor/timber

Because privately owned forestlands are important to Oregon's economic and environmental health, they are taxed differently than other kinds of property. As a forestland owner, you are affected by how the counties tax those lands. This publication explains how the Oregon Department of Revenue and the counties administer the special assessment programs for forestlands.

Most property in Oregon is valued and taxed based on real market value (RMV)—the price for which land would sell on the open market. As urban areas encroach on lands capable of growing valuable timber, the value of that timberland increases. This raises property taxes on the timberland, making it more expensive to hold while the timber is growing.

Recognizing this, the Oregon Legislature has established several special assessment programs that reduce taxes for forestland owners who manage their property for the primary purpose of growing and harvesting timber.

The advantages and criteria for Oregon's forestland special assessment programs are explained below.

Forestland Program

Under this program, there are two types of forestlands, "highest and best use" and "designated."

During the mid-1900s, counties identified lands whose best, most economical use was to grow timber and other forest products. The counties refer to these lands as "highest and best use forestlands."

Landowners who own forestland that the county does not consider "highest and best use" may apply to have the land "designated" as forestland. If you own this type of land, you may receive a property tax reduction if you agree to grow and harvest timber. If you are unsure how your land is classified, contact your county assessor's office.

How to apply for the Forestland Special Assessment Program: Contact the assessor of the county where your forestland is located to obtain an application. The assessor will determine if your land qualifies as designated forestland.

Ownership size: At least two acres.

Qualification criteria: There must be enough trees on your land to meet Oregon Forest Practices Act stocking and species standards. If only a portion of your land meets the standards, you may still qualify if:

- At least 20 percent (minimum two acres) meets the standards by December 31 of the first assessment year, and
- You develop a written management plan to plant enough trees to meet the standards within five years.

Lands not adequately stocked within five years will be disqualified (explained under "Disqualification or removal" below).

Annual property tax: Land under the Forestland Special Assessment Program is assessed at a value based on the typical price paid for forestland. This is often less than RMV. Property taxes under this program vary, depending on the property's location and ability to grow timber.

For specific tax rates, please contact the assessor's office for the county in which your property resides (see page 4).

Severance tax: There is no severance tax on timber when it is harvested from land under the Forestland Special Assessment Program.

Disqualification or removal: The county assessor may disqualify lands that no longer meet program standards. If your land is disqualified, you must pay back the amount of the tax reduction you received for up to the previous five years. Contact your county assessor for more information.

Small Tract Forestland Program

The Small Tract Forestland (STF) Program allows small-woodland owners to delay paying part of their annual property taxes until the timber is harvested. This is known as the STF Severance Tax.

Like the Forestland Special Assessment Program, the STF Program applies to land the county has classified as highest and best use and to land that qualifies as designated forestland.

A landowner pays annual property tax on 20 percent of the forestland's special assessment value. The STF Severance Tax is designed to recover the remaining 80 percent over the life of the property when timber is harvested.

How to apply: Contact the assessor in the county where the land is located. If the county has not classified the land as forestland, you will need to complete two applications: one to have your forestland classified as designated forestland, and one to qualify for the STF Program.

Applications are available at the county assessor's office and online at www.oregon.gov/dor/timber/timberform.shtml.

The application must include all forestland within a single tax lot, and all contiguous parcels of forestland owned individually or by any other entity in which the applicant holds a majority interest.

Once property qualifies for the STF Program, it cannot be removed from this program until it is sold or transferred to a new owner, or the use of the property changes.

Ownership size: At least 10 acres of forestland, but fewer than 5,000 acres.

Qualification criteria: The land must have enough trees to meet Oregon Forest Practices Act stocking and species standards.

If not all of your land meets these standards, you may still qualify if:

- At least 20 percent (minimum two acres) meets the standards by December 31 of the first assessment year, and
- You develop a written management plan to plant enough trees to meet the standards within five years.

Lands not adequately stocked within five years will be disqualified (see "Disqualification and removal").

Annual property tax: Land under the STF Program is taxed at 20 percent of the forestland special assessment value.

Property taxes under this program vary, depending on the property's location and ability to grow timber.

For specific tax rates, please contact the assessor's office for the county in which your property resides (see page 4).

Disqualification or removal: The county assessor may disqualify lands that no longer meet program standards. If your land is disqualified from this special assessment, you must pay back the amount of

the tax reduction you received for up to the previous 10 years. Contact your county assessor for more information.

Once land is disqualified from the STF Program, it cannot qualify again for five years.

Change from one forestland option to another: Properties remain under the STF Program until ownership is transferred or the property is no longer used as forestland.

STF Severance Tax: The STF Severance Tax applies to timber harvested from STF Program lands. Because the landowner pays 20 percent of the annual property tax, the severance tax recovers the remaining 80 percent when timber is harvested.

Tax rates: The tax rates for the STF Severance Tax is in dollars per 1,000 board feet (\$/MBF).

Rates may change annually to reflect changes in specially assessed forestland value. Value increases are limited to 3 percent annually. The rate change for specially assessed forestland value is set each June 1.

Contact us or visit our website for current year rates.

What is taxed? Generally, logs or chips removed from land under the STF Program are taxed. Log loads sold by the ton are taxed unless they consist of small, utility-grade logs less than 5 inches in diameter. Utility or lower grade logs are exempt from this tax.

The following rates convert log load weight (tons) to thousands of board feet (MBF):

- Loads of logs containing a minimum of 20 percent of the log count with a 5-inch, 6-inch, and 7-inch scaling diameter are converted to MBF by dividing the tons by the "Chip Logs" conversion factor of 11.
- Loads of logs in which all logs measure 5-inch scale and larger or the load contains three or more logs with 8 inch or larger scaling diameter are converted to MBF by dividing the tons by the "Saw Logs" conversion factor of 7.5.
- Loads of chips are taxable unless they are made from utility grade or lower grade logs and are used as "hog fuel."
- Logs scaled as utility grade or lower are **exempt** from this tax.

Tax forms: Tax forms for the STF Severance Tax are mailed by the Department of Revenue in December of the harvest year, or the next January. The department identifies potential harvesters and mails the forms based on information provided on the Notifi-

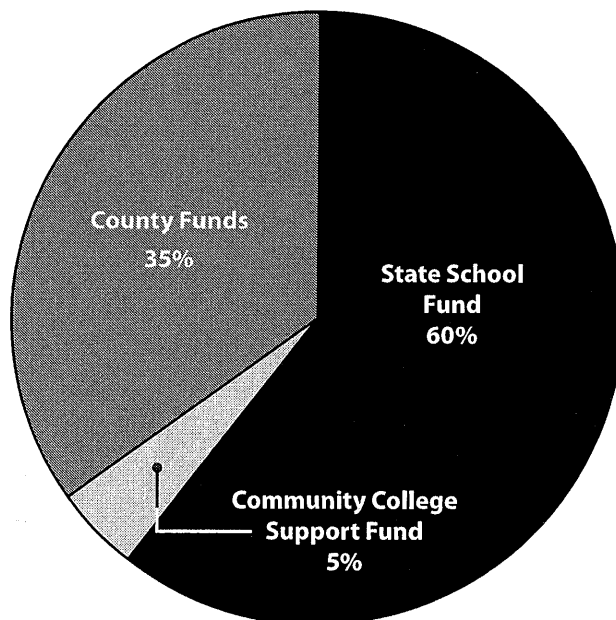
cation of Operations from the Department of Forestry and the STF applications from the county assessors.

The law requires timber owners to mail completed returns to DOR, even if no tax is due. For contact information, see "Where to go for help," last page.

Due date: The STF Severance Tax is due January 31 of the year following the harvest.

Late returns are assessed penalty and interest. A 5 percent penalty is assessed for returns filed between January 31 and April 30; a 25 percent penalty is assessed for returns filed after April 30.

Where does this tax money go?



Farmland converted to forest (Western Oregon only)

Land in western Oregon counties (see county list, page 4) planted with trees that may grow into commercial timber and that has been taxed as farmland for 10 years may continue to be valued as farmland until the trees reach the age of 40. At that time, the farmland must be converted to forestland.

How to apply for this tax program: Contact the assessor in the county where the land is located.

Ownership size: At least two acres.

Qualification criteria: The land must have enough trees to meet Oregon Forest Practices Act stocking and species standards.

If the land does not currently meet these standards, you may still qualify if:

- At least 20 percent (minimum two acres) meets the standards by December 31 of the first assessment, and
- You develop a written management plan to plant enough trees to meet the standards within five years.

Lands not adequately stocked within five years will be disqualified (see "Disqualification or removal" below).

Annual property tax: Tax under this program is based on the land's ability to yield farm products. This value is usually less than the RMV.

Disqualification or removal: The county assessor may disqualify lands that no longer meet program standards. If your land is disqualified, you must pay back the amount of the tax reduction you received for up to the previous five years. Contact your county assessor for more information.

Farm woodlot

Often, specially assessed farmland has a timbered area adjacent to farmed land. If your land includes this type of acreage, you may put up to 20 acres of it into a farm woodlot. Farm woodlot property is valued as if the underlying land were used for farm purposes. The forestland must be adjacent to the assessed farmland.

How to apply for this program: Contact the assessor in the county where the land is located.

Ownership size: There is no minimum size for this program, but land cannot exceed 20 acres.

Qualification criteria: The species and stocking requirements of specially assessed forestland do not apply, however, the land must be growing trees.

Annual property tax: Land under this program is assessed at a value, based on its potential farm or ranch income. The value is often less than RMV and may be less than specially assessed forestland values.

Disqualification or removal: The county assessor may disqualify lands that do not meet program standards. You must pay back the amount of the tax reduction you received for up to the previous 10 years. Contact your county assessor for more information.

Home-site values

Home sites associated with forestland special assessments are valued separately from the land.

Qualifying home sites used in conjunction with more than 10 acres of qualifying forestland receive special assessment for the land under the dwelling. This is

the average market land value of all land of common ownership contiguous to the home site. A maximum \$4,000 on-site development (for example, for septic, domestic well, or landscaping) are added to the value of the land under the dwelling.

Contact your county assessor's office to determine the value of your home site. An application is not required to obtain a forest-related home site special assessment.

General information

May I change from one forestland option to another?

You may put your property into a farm special assessment, the Forestland Program, or the STF Program if your land qualifies for these programs. You may also put your property into the Wildlife Habitat Special Assessment Program. To learn more about this program, contact the Department of Fish & Wildlife, 503-947-6000 (Salem), 1-800-720-6339 (toll-free from an Oregon prefix), www.dfw.state.or.us/lands/whcmp/brochure.pdf, or www.oregon.gov/ODFW. You may make these changes without paying additional tax.

Where to go for help

Contact us for information on the forestland programs, the impact of these programs on timber, and for STF Severance Tax forms.

General tax information www.oregon.gov/dor/timber
 Salem 503-378-4988
 Toll-free from Oregon prefix 1-800-356-4222
 E-mail timber.tax.help@state.or.us

Asistencia en español:

Salem 503-378-4988
 Gratis de prefijo de Oregon 1-800-356-4222

TTY (hearing or speech impaired; machine only):

Salem 503-945-8617
 Toll-free from Oregon prefix 1-800-886-7204

Americans with Disabilities Act (ADA): Call one of the help numbers for information in alternative formats.

You may also visit our Salem office. Please call or e-mail to make an appointment.

Other resources

County assessment farm forest appraisers

Call the assessor in the county where your land is located for information on property tax and the land portion of the forestland programs. See "COUNTY GOVERNMENT—Assessor's office" in your telephone directory.

Oregon State University Forestry Extension Program

For information on forest management, forest management planning, financial planning, and forestland programs, see "COUNTY GOVERNMENT—Extension Service" in your telephone directory.

Oregon Department of Forestry

For information on forest management, forest management planning, and the forestland programs, see "STATE GOVERNMENT—Forestry Department" in your telephone directory, or visit www.oregon.gov/odf.

List of Counties

Western Oregon

Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Washington, Yamhill.

Eastern Oregon

Baker, Crook, Deschutes, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, Wheeler.



Application for Designation of Land as Forestland

and for special assessment as provided by
ORS 321.257 to 321.367 in western Oregon
and ORS 321.805 to 321.848 in eastern Oregon

For Assessor's Use Only	
Date Received _____	
<input type="checkbox"/> Approved	<input type="checkbox"/> Denied
Date: _____	By: _____

INSTRUCTIONS:

- Your application must be filed with the county assessor's office by **April 1**.
- Read and complete both sides of this form. General information is located on page 3.

Filed with the _____ County Assessor for the tax year beginning July 1, 20____.

Name (Last, First, MI)	Telephone		
	Day: ()	Evening: ()	
Street Address	City	State	ZIP Code

DESCRIPTION OF PROPERTY

Fill in the boxes below to show the property you want to have designated as forestland. If you are applying for only a **portion** of the land described, please indicate the area by providing a drawing on page 2 of this form. List the acquisition date if any portion of the property was acquired within the last five years. In order for the land to qualify, the area to be designated must be at least two contiguous acres in one ownership [OAR 150-321.358(4)].

Assessor's Account Number	Map and Tax Lot or Parcel Number	Date Acquired	Acres Applied For

Total Applied For: acres

Additional requirements on the back →

DECLARATION

As owner of the above described land, I indicate by my signature that I am aware of the potential tax liability involved when the land ceases to be designated as forestland. I declare under the penalties of false swearing [ORS 305.990(4)] that I have examined this application (and any accompanying documents), and to the best of my knowledge, it is true, correct, and complete.

Forestland Owner's Signature X	Forestland Owner's Name / Title (print)	Date
Forestland Owner's Signature X	Forestland Owner's Name / Title (print)	Date

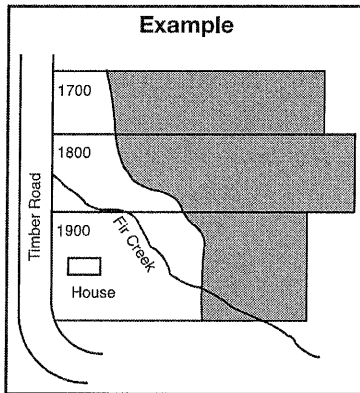
FOR ASSESSOR'S USE ONLY

Comments: _____

DESCRIPTION OF LAND TO DESIGNATE

The following information on the subject property is required by law (ORS 321.358 or 321.839), and will be used by the assessor to determine if your property is properly classifiable as forestland. The determination shall be made with due regard to **all** relevant evidence.

1. Draw a diagram of the tax lot(s) and shade in the area being applied for designation as forestland. See the example shown below. Include placement of structures, roads, creeks, etc.



2. Is the predominant purpose of this land to grow and harvest trees of a marketable species? ☐ Yes ☐ No
3. How many acres applied for currently meet the minimum number of trees per acre as required by the State Forester? ____
If the property does not meet the requirements, please submit a "reforestation plan" to the assessor along with this application.
4. Is there a forest management plan for this property? ☐ Yes ☐ No (If yes, please attach a copy.) **Note:** A forest management plan is different than a reforestation plan. See page 3 for more details.
5. Summarize your past, current, and continuing activity in growing and harvesting trees. (Include experience in years, location, work done, etc.) _____

6. To what extent do domestic animals use the property for grazing? Include kinds of animals, number of head, length of grazing, etc.

7. Is any portion of the land subject to a lease, option, or easement which permits it to be used for a purpose other than the growing and harvesting of trees? ☐ Yes ☐ No (If yes, briefly explain.) _____

8. Has any part of the property been platted under ORS Chapter 92 (subdivided)? ☐ Yes ☐ No
9. Is the land classed as "timberland" for fire patrol assessments administered by the Department of Forestry? ☐ Yes ☐ No
(If no, why not?) _____

10. Has a Department of Forestry Notification of Operations been granted for harvesting for excepted purposes under the Oregon Forest Practices Act? ☐ Yes ☐ No



Application for Small Tract Forestland

For owners of at least 10 acres and less than 5,000 acres of Oregon forestland qualified under forestland special assessment (ORS 321.700-754)

For Assessor's Use Only		
<input type="checkbox"/> Approved	<input type="checkbox"/> Denied	Date Received
<input type="checkbox"/> Disqualified		
Date: _____	By: _____	Comments:

Your application must be filed with the county assessor's office by **April 1**.

- Filed with the _____ County Assessor for the tax year beginning July 1, 20____. •

PLEASE PRINT.

Forestland Owner's Name (Last, First, MI)	Social Security No. or Federal Identification No.	Business Identification No. (BIN)
Forestland Owner's Name (Last, First, MI)	Social Security No. or Federal Identification No.	Business Identification No. (BIN)
Mailing Address	City	State ZIP Code
Telephone	Total forestland acres in Oregon under your ownership (including common ownership) _____	
Business: ()	Home: ()	

- ☐ Check the box if you purchased land that is under the Small Tract Forestland program, and wish to continue the special assessment. *Please see the instructions for filing deadline. Indicate the name of the previous owner from whom you purchased the land: _____. Date of Purchase: _____

Has any part of this property been platted under ORS Chapter 92 (subdivided)? ☐ Yes ☐ No

—Attach a copy of your most recent forestland property tax statement(s)—

DESCRIPTION OF PROPERTY

Fill in the boxes below to show the **forestland** you want to have qualified as small tract forestland. Be sure to include all contiguous parcels. If you need more space, attach another application or photocopy this one.

Property Tax Account Number	Map and Tax Lot or Parcel Number	Number of Acres	Description of the Land Uses

DECLARATION

As owner of the above described land, I indicate by my signature that I am aware of the potential tax liability involved when the land is disqualified from small tract forestland assessment.

I am aware of the requirement to notify the county assessor in writing when:

- I acquire tax lots that are contiguous to small tract forestland I own;
- I acquire additional forestland that results in my owning 5,000 acres or more of Oregon forestland;
- I sell small tract forestland that results in my owning less than 10 acres of Oregon forestland; or
- There is a change in the use of any portion of my small tract forestland to a use that is not a forestland use.

I declare under the penalties of false swearing [ORS 305.990(4)] that I have examined this application (and any accompanying documents), and to the best of my knowledge, it is true, correct, and complete.

Forestland Owner's Signature*	Forestland Owner's Name / Title (print)	Date
X		
Forestland Owner's Signature*	Forestland Owner's Name / Title (print)	Date
X		
Forestland Owner's Signature*	Forestland Owner's Name / Title (print)	Date
X		

***All individuals who have an ownership interest in the above forestland must sign.** Attach sheet with additional signatures as necessary.

For more information, contact your county assessor's office.

See instructions on the back →

APPLICATION FOR WILDLIFE HABITAT CONSERVATION AND MANAGEMENT SPECIAL ASSESSMENT

as provided by Chapter 539, Oregon Laws 2003

FOR ASSESSOR'S USE ONLY		
<input type="checkbox"/> Approved	<input type="checkbox"/> Denied	Date Received
Date: _____ By: _____		
Currently Specially Assessed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Zoning?
Comments		

Instructions

- Your application must be filed with the county assessor by **April 1**.
- General information is located on the back of this form.
- Include a copy of your Wildlife Habitat Conservation and Management plan. Plan # _____.
- Include a certified copy of the written declaration that your land is subject to an approved plan and that the plan is being implemented.

Filed with the _____ County Assessor for the tax year beginning July 1, 20____.

Name	Telephone Numbers			
	Daytime: ()		Evening: ()	
Street Address	City	State	ZIP Code	

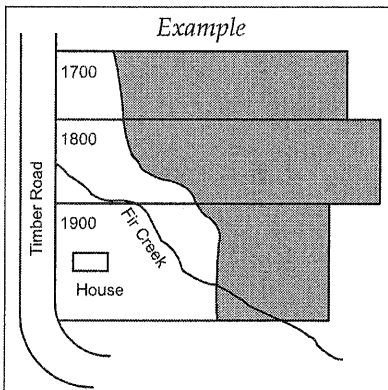
DESCRIPTION OF PROPERTY

Fill in the boxes below to show the property you want to have specially assessed as Wildlife Habitat. If you are applying for a **portion** of the land described, please indicate the area by providing a sketch below.

Assessor's Account Number	Map and Tax Lot or Parcel Number	Acres Applied For
Total Acres Applied For:		

DESCRIPTION OF LAND FOR SPECIAL ASSESSMENT AS WILDLIFE HABITAT

Sketch a diagram of the tax lot(s) and shade in the area being applied for special assessment as Wildlife Habitat. See the example shown below. Include placement of structures, roads, creeks, etc.

**DECLARATION**

As owner of the above described land, I indicate by my signature that I am aware of the potential tax liability calculated under ORS 308A.703 if the land ceases to be specially assessed as Wildlife Habitat. I declare under the penalties for false swearing [ORS 305.990(4)] that I have examined this document (and any accompanying documents), and to the best of my knowledge, it is true, correct, and complete.

Applicant's Signature X	Date
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GENERAL INFORMATION

1. Requirements for Designation. The land must have an approved wildlife habitat conservation and management plan from the Department of Fish and Wildlife along with a certified copy of the written declaration from Fish and Wildlife that the landowner has begun implementing the plan.

The land must be in a participating county or city. Within the participating county or city, the land must be within one of two areas:

- 1) An area zoned for exclusive farm use, mixed farm and forest use, or forest use under a land use planning goal protecting agricultural land or forestland; or
- 2) In addition to 1, the participating county or city may designate land that is clearly identifiable as containing significant wildlife habitat.

2. Application Deadlines. An owner of land desiring that it be designated as Wildlife Habitat must apply to the county assessor on or before April 1 of the assessment year for which the land is to be specially assessed. The owner may apply within 30 days after receiving notice of its assessment as omitted property.

3. Approval of Application. The application shall be deemed to have been approved unless prior to August 15 or within three months after the application is filed, whichever is later, the assessor gives the applicant written notice of denial.

4. Description of Land Applied For. The application includes the total land ownership or a smaller portion of such ownership. Make a drawing on this application (on the front or on a separate sheet) to show the location of the area to be designated as Wildlife Habitat. Owners who have extensive holdings may submit maps which indicate the desired parcels, lists of legal descriptions, or lists of assessor's account numbers if the numbers and descriptions are current and include only land eligible for designation.

5. Valuation. Land designated as Wildlife Habitat will be valued for assessment purposes at forestland or farm use specially assessed values even though it has a higher market value for other purposes.

6. Removal of Designation. If the designation of Wildlife Habitat is removed, an additional tax will be extended against the land and added to the next general property tax roll. For each year, the amount of additional tax is equal to the difference between the taxes assessed against the land and taxes that would have been assessed had it not been specially assessed. The number of years of additional tax is dependant upon the zoning of the land. If the land is zoned other than exclusive farm use, the number of years is five, or the number of years the property was in the program, whichever is less. If the land is zoned exclusive farm use, the number of years is ten, or the number of years the property was in the program, whichever is less.

7. Reasons for Removal of Designation.

- a. Upon notice from Fish and Wildlife that the plan is no longer being implemented.
- b. Upon notification of the landowner to remove the designation.
- c. Upon sale or transfer to an ownership making it exempt from ad valorem property taxation.
- d. If the owner qualifies and requests another special assessment.
- e. The act of platting the land under ORS Chapter 92.

8. Right of Appeal. A taxpayer whose application has been denied, in whole or in part, or a taxpayer whose Wildlife Habitat designation has been removed, in whole or in part, may appeal to the Oregon Tax Court, Magistrate Division, within 90 days after he or she knows of the above acts, but not later than one year after the act (ORS 305.275).