



For Immediate Release

Partnership results in new property tax classification for forest landowners

Application deadline is September 1, 2008, for 2009 taxes

GRAND RAPIDS, Minn. (August 19, 2008) – Family forest landowners across the state – whose lands contribute almost half of Minnesota’s annual timber harvest – have a new tool to help them manage their lands while realizing tax benefits.

The “2c Managed Forest Lands” property tax classification, created during the 2008 legislative session, establishes a new definition of undeveloped rural forestlands and a tax rate of 0.65 percent for qualifying parcels – a 35 percent reduction from the previous applicable rate. It will take effect in the 2009 tax year.

Discussions about a tax-law change were held at the 2006 Family Forest Stewardship Conference sponsored by the Blandin Foundation. Participants highlighted as a key issue the disparity in taxation practices between developed and undeveloped rural lands.

Following the conference, a coalition of organizations across the state led the effort to change the tax law, including: the Minnesota Forest Resources Council, the Minnesota Forestry Association, Campaign for Conservation, the Minnesota Department of Natural Resources, Minnesota Department of Revenue, Saint John’s University, Minnesota Timber Producers Association, Blandin Foundation, Minnesota Seasonal Recreational Property Owners Association and the Minnesota Association of County Assessors.

“This change is a testament to the power of coordinated action on the part of visionary people and effective organizations working in partnership for the common good,” said Bernadine Joselyn, director of public policy and engagement at the Blandin Foundation.

Landowners who wish to participate for the 2009 tax year need to submit their application by September 1, 2008, through their county assessor. Starting in 2009, the deadline will be May 1. Tracts cannot be improved with a structure and cannot be registered with the Sustainable Forest Incentive Act (SFIA) or the Green Acres program.

Eligible landowners must have at least 20, but not more than 1,920, acres under a forest stewardship management plan that is registered with the Minnesota Department of Natural Resources (DNR) Division of Forestry and that is no more than 10 years old. More information about developing a forest stewardship plan is available from local DNR forestry offices.

“In addition to leadership from the Minnesota Forestry Association and all the partners who helped, we need to especially thank Senator Tom Bakk and Representative Larry Hosch for sponsoring the legislation

that led to the 2c Managed Forest law,” said Tom Kroll, arboretum director at Saint John’s University and a major supporter of the new tax classification system. “The Departments of Revenue and Natural Resources were also very cooperative in drawing up the application and final rules to allow landowners easy access to the program.”

Sidebar:

Landowners wishing to participate for the 2009 tax year need to submit their application by September 1, 2008, through their county assessor. A list of assessors is available at <http://www.mnmao.org/officers/County%20Assessor%20List%202008.pdf>. Starting in 2009, the deadline will be May 1.

Eligible landowners must have at least 20, but not more than 1,920, acres under a forest stewardship management plan that is registered with the Minnesota Department of Natural Resources (DNR) Division of Forestry. The plan must be no more than 10 years old.

Tracts cannot be improved with a structure and cannot be registered with the Sustainable Forest Incentive Act (SFIA) or the Green Acres program.

Information about developing a forest stewardship plan is available from local DNR forestry offices. To locate an office near you, go to <http://www.dnr.state.mn.us/areas/forestry/index.html>.

--END--

Blandin Foundation, Minnesota’s largest rural-based private foundation, is located in Grand Rapids, Minn. Its mission is to strengthen rural Minnesota communities, especially the Grand Rapids area, through grants, leadership development programs and public policy initiatives.

The Family Forest Stewardship Conference is part of the Blandin Foundation’s Vital Forests Vital Communities Initiative. VFVC aims to increase the competitiveness of Minnesota’s forest-based industry, improve the quality and sustainability of Minnesota’s forest resource and improve the economic vitality of Minnesota’s forest-dependent communities. One VFVC goal is to increase the amount of forestland under active, sustainable management by 1 million acres by the year 2015.

For further information:

Allison Rajala Ahcan
Director of Communications
Blandin Foundation
Phone: 218-326-0523
Cell: 218-259-2893
arahcan@blandinfoundation.org
www.blandinfoundation.org