



# Forest Use Taxation



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**WEST MULTNOMAH**  
Soil & Water Conservation District

# Forest Tax Deferral

- Property is “used for the predominant purpose of growing and harvesting trees of a marketable species”
- Incentive to keep lands in production
- It’s a deferral, not a discount or exemption
- Payback when you switch
  - Potential back taxes of 5 to 10 years

# “Growing”

- Typically defer to Oregon Forest Practices Act
- Forest is stocked with:
  - 200 seedlings per acre
  - 120 trees per acre (1-10” DBH)



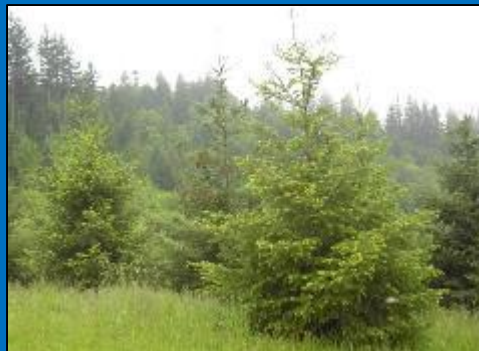
# “Harvesting”

- Clearcut
- Thinning



# “Marketable”

- Douglas-fir, hemlock, fir, cedars, and other conifers
- Hardwood
  - Red alder
  - Bigleaf maple
  - *Others get “iffy”*



# So, you just bought a forest

## *Multnomah Co. Example*

Forest Questionnaire comes in mail (15 business days)

- Are you growing trees?
- About how old are they?
- Do you plan to harvest them?
- When?
- Do you have a Forest Management Plan?
  - Yes, please send it
  - No, can you write down what you're planning?

# So, you just bought a forest

## *Multnomah Co. Example*

- If they have further questions, you're probably on your way to writing a plan
- They'll set a time limit with you
- You'll need to address
  - Stocking
    - Species
    - Age
  - Harvest plans
  - Other restoration work

*You're not required to work with a professional on this....but most people should 😊*

# I don't want to harvest trees

- Pay property taxes in full – *not a bad option*
- ~~Wildlife Habitat Conservation Management Plan – ODFW~~
- Conservation Easement
- Open Space ?
- If growing Christmas trees, Orchard, etc. you want to explore Agricultural Deferral Programs





# Learn More

- Call the County Tax Assessor
  - Mult. Co. – Mary Holliman – (503) 988-3278
- Oregon Department of Revenue
  - <http://www.oregon.gov/DOR/programs/property/Pages/timber.aspx>
    - Info on Property tax and Timber tax
    - Small Tract Forestland Program
      - Pay some of your property tax obligation after you harvest timber