

MONROE COUNTY WV/ASSESSOR'S OFFICE

MANAGED TIMBERLAND FACT SHEET

Managed Timberland is a Tax Incentive Program

West Virginia is 76% timberland (12 million acres). The majority of this is owned by small private landowners. This living renewable resource has a major influence on our environment and supports an industry which is growing in both jobs and economic value.

The State of West Virginia recognizes the value of managing this resource. Through proper management, the potential losses to wildfire, insect, disease and exploitation can be reduced. This tax incentive approach was enacted to encourage landowners to actively manage their forest land, thereby increasing the amount and quality of the resource.

Everyone benefits because managed timberland is much more productive than non-managed timberland. In addition to increased income, it creates a diverse environment, including wildlife habitat, and overall use and appreciation of the land. Proper management encourages business, which means jobs for many people and income for the landowner and local communities.

The appraised value of Class II, III and/or IV forested property is reduced under Managed Timberland. It is based on the ability of the land to produce future income according to its use and productive potential, market comparables and market analysis.

How to file for Managed Timberland

The initial Contract for Managed Timberland Property Valuation is due before July 1 of any year. This Contract is good until cancelled by the landowner. However, when property is withdrawn from the Managed Timberland Tax Incentive Program, a new Contract must be filed before the property can be reinstated.

A separate Contract must be filed for each ownership in each County. In case of multiple owners, either all owners involved must submit separate Contracts or one may sign for all if provided the Power of Attorney, a copy of which must accompany the Contract. A professional forester may apply on behalf of clients(s), but must provide a contract signed by the owner(s).

The annual Application for Certification as Managed Timberland must be submitted to the Division of Forestry between March 1 and September 1 of each year to remain in the Managed Timberland Tax Incentive Program.

A separate Application for Certification must be filed for each ownership in each County. The Application for Certification can be filed by the owner or professional forester managing the land.

Management Plan

The Contract states that the land is being used in a planned timberland management program and is devoted primarily to forest use. In compliance with the Law, the owner may:

(1). File a notarized document that the land is being protected and managed. (Demonstration of the plan must be made available upon request.)

OR

(2). Submit a plan prepared by a professional forester and intention to follow that plan.

Most private timberland owners can receive 75% cost sharing assistance for plans and in some cases a free plan. Information on cost sharing and management plans can be obtained from the Farm service agency, a consulting forester or the Division of Forestry.

If a plan does not exist when the Contract is filed, it is anticipated that a plan can be developed by the end of the second year after filing the Contract. Until a plan has been prepared, harvesting activities cannot be conducted. This guarantees that regeneration is planned and that the harvest is carried out in a way that will provide regeneration.

Once land is placed under a Managed Timberland Contract, all management activities must be as specified in the plan. This ensures that the land will produce continuous crops of timber on a perpetual basis. Using the forest management plan will maximize the productivity of the forest for the owner.

A management plan does not automatically move timberland into the Managed Timberland Tax Incentive category. Your property value can only change when you file for and receive Managed Timberland status from the West Virginia Division of Forestry.

If the County Assessor or the Tax Commission has cause to believe that a plan is not being followed, a request is made to the Division of Forestry for an inspection to determine if the land qualifies for the program and the plan is being followed.

"Falsification of certification or failure to follow a professionally prepared plan will result in loss of valuation as managed timberland."

If you have any question call 304-558-3940 and ask for Lora Lane