

Class 2c Managed Forest Land

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Property Tax Fact Sheet 12

Fact Sheet

This property classification provides a reduced class rate to forested property of 20 acres or more that is subject to a forest management (stewardship) plan and that meets other requirements.

What is the benefit of the 2c classification?

Owners of forest land who actively follow a qualifying forest management plan may receive a classification rate of 0.65% on any eligible land. For most forested land, the classification rate would otherwise be 1.00%.

For example, a forestland parcel worth \$200,000 would have a tax capacity of \$1,300 instead of \$2,000.

\$200,000	x	.65%	=	\$1,300
\$200,000	x	1.00%	=	\$2,000

This is a simplified example. It does not take into account any additional tax costs or savings that may apply to your property. It also does not take into account the variation in local tax rates.

What are the qualifications?

To qualify for class 2c managed forest land, your property must have:

- at least 20 eligible acres of forested land
- a forest management plan that is registered with the DNR and is less than 10 years old.

The land to be enrolled cannot:

- be used agriculturally
- include property that is enrolled in the Sustainable Forest Incentive Act (SFIA) program, CRP, CREP, RIM, or the Green Acres program.

The 20 acre requirement is based on all eligible land on contiguous parcels, not a parcel-by-parcel basis.

A maximum of 1,920 acres per taxpayer may be enrolled statewide.

Can a building receive the 2c classification?

In general, no buildings can receive the classification. A structure and surrounding 10 acres would be classified with the use of the structure and not classified as 2c managed forest land.

The presence of a minor, ancillary structure may be included with land receiving class 2c however. These structures are defined as sheds or other primitive structures that add minimal value and are not designed for residential use, and are less than 300 square feet in size.

How do I apply?

Applications must be made to the County Assessor by May 1 to qualify for class 2c for taxes payable the following year.

You must have a valid forest management plan at the time of application. You cannot apply for the classification with a pending a forest management plan.

What if I sell the property?

If ownership changes after a property is classified as 2c, the new owner(s) will need to complete a new application in order to continue to receive the classification, as well as provide an updated forest management plan that is registered in the new owner's name.

How do I get a Forest Management Plan?

Contact your local Department of Natural Resources (DNR) office or forester to learn about developing a forest management plan. Plan writers must be approved by the DNR.

What if I have questions?

For more information, or for answers to specific questions, contact your county assessor's office.