

On June 6, 2013, Gov. Rick Snyder signed legislation amending the Commercial Forest (CF) program. The bill amending the CF statute (House Bill 4069, enacted as Public Act 48 of 2013) was signed into law with an effective date of June 6, 2013.

This letter is to inform you of the changes to the CF program and to notify you of the revised QF program.

Changes to the CF statute include the following amendments:

- Forest management plans are exempt from disclosure under the Freedom of Information Act (FOIA).
Statutory reference: Section 51103(7)
- The DNR no longer has authority to write forest management plans for landowners.
Section 511103(6) deleted
- Owners of CF land who are approved for the amended Qualified Forest (QF) program (Public Act 42 of 2013) may withdraw from the CF program without penalty for a period of one (1) year after the effective date of this amendment. The one-year period is June 6, 2013, through June 5, 2014.
Section 51108(5)
- The DNR has the authority to remove from CF listing land that has been acquired by a federally recognized Indian tribe when the associated property taxes are subsequently pre-empted under federal law.
Section 51108(8)
- Sand and gravel extracted from CF land, that meets other statutory requirements, may be sold to/for use by government entities.
Section 51113(3)(c)
- CF land must be open to the public for hunting and fishing. However, if CF land becomes inaccessible to the public for hunting and fishing due to no fault of the landowner, it can remain in the CF program.
Section 51113(1)
- Allows exploration for wind energy development on CF land.
 - Prior to wind energy development, the CF landowner shall withdraw the physical footprint of each turbine, associated buildings, and adjacent areas that are to be permanently removed from forest production.
 - Allows CF landowners to be compensated for leases, easements and license agreements related to wind energy.*Section 51113(5)*
- County Equalization Offices must notify the DNR of ownership changes related to CF land within 30 days of receiving notification of a transfer of title or interest in CF land.
Section 51115(3)

The June 2013 legislation also included amendments to the Qualified Forest program. CF landowners may be interested in the following:

- Senate Bill 51, enacted as Public Act 42 of 2013, transfers the administration of the QF program from the DNR to the Michigan Department of Agriculture and Rural Development (MDARD) and makes significant changes to the qualifications and processes related to the QF program.
- House Bill 4243, enacted as Public Act 49 of 2013, changes the formula used to calculate the Qualified Forest Recapture Tax. This law also specifies the recapture tax due on CF land that is moved to the QF program under the one-year window described above, if that land is subsequently removed from the QF program.

The amendments do include the option to withdraw from CF with waiver of penalty in order to enroll land in the QF program. If you wish to remove your land from the CF program without payment of the withdrawal penalty and move your land into the amended QF program you will need to apply to the DNR to remove the land from the CF program.

To do so you must:

- Submit an "*Application to Withdraw Land from CF*" (PR4042-2) **postmarked no later than June 5, 2014.**
- Include a withdrawal application fee (\$1/acre; \$200 minimum, \$1,000 maximum).
- Include a copy of recorded deed of ownership.
- Indicate that you wish to move the land to the QF program under the one-year provision.
- Apply to MDARD for the QF exemption, **postmarked no later than June 5, 2014.**

- Receive “Qualified Forest School Tax Affidavit” from MDARD showing QF approval.
- Provide a copy of the **recorded** “QF School Tax Affidavit” to the DNR.
- Complete the CF withdrawal certificate.

Questions about the Qualified Forest program?

Email MDARD-QFP@michigan.gov or call 517-284-5630.

Questions about the Commercial Forest program or the one-year withdrawal provision? Email Shirley Businski at businskis@michigan.gov or call 517-284-5849.