



COMMERCIAL FOREST PROGRAM SUMMARY

(By authority of Part 511, 1994 PA 451, as amended)

The Commercial Forest (CF) Program provides a property tax incentive to private landowners to retain and manage their forestland for long-term timber production and to provide foot access to the public for hunting and fishing. It is a voluntary program. Participating landowners may withdraw from the program at any time by submitting an application, application fee, and paying a withdrawal penalty. The CF Program is administered by the Michigan Department of Natural Resources (DNR).

Benefit to the CF Landowner

- CF Landowners do not pay ad valorem general property taxes. Instead, CF landowners pay a specific tax. The CF specific rate for 2022-2026 is \$1.35 per acre annually. The specific rate increases 5 cents every 5 years.

General Information

- CF land must be devoted to commercial forest management and be open to the public for foot access to hunt, fish, and trap.
- All timber management, tree cutting, and reforestation on CF land must be done according to the DNR approved forest management plan in effect for those lands. Landowners must notify the DNR in writing 10 days prior to any cutting, harvesting, or removal of forest products on CF land. A violation of the plan is also a violation of Part 511.
- Deposits of oil and gas may be removed after application to and approval by the DNR.
- While exploration of metallic/nonmetallic minerals (except sand and gravel) is permitted, an owner must withdraw that portion of forestland affected by removal of any commercial mineral deposit.
- Sand and gravel may be removed from CF land under limited circumstances, after application to and approval by the DNR.

Some Restrictions/Limitations

- CF land cannot be used for agriculture, mineral extraction, grazing, industry, developed recreation, residences, resorts, commercial purposes, or developmental purposes.
- No buildings or improvements are allowed, including but not limited to trailers, motor homes, permanent hunting blinds, and utilities.
- Land must not be posted in any manner to restrict or infer restriction of entry for hunting and fishing. "No Trespassing" and "Private Property" signs are not permitted, unless "Private Property" signs also indicate the land is open to the public for hunting and fishing.

CF landowners cannot receive consideration for entering into an agreement affecting CF land (e.g., lease, easement, trail agreement) and must provide a copy of the agreement to DNR for review at least 30 days before entering such an agreement, to determine if it is acceptable.

Eligibility

- A minimum of 40 contiguous forested acres is required. The landowner, or land contract vendee, must own the timber rights.
- Land must meet productivity and stocking requirements.
- There must be foot access to the public for hunting, fishing and trapping to all portions of the enrolled land.
- The landowner must have a forest management plan written by a registered forester or DNR approved natural resources professional, describing how the land will be managed. The plan shall include treatment schedules, such as reforestation and timber harvesting, and type maps.
- Newly planted trees must have survived through two growing seasons before the planted land can be considered for enrollment.
- Land managed for Christmas trees is not eligible.

Sale/Acquisition of CF Land

- Any document that transfers title to CF land must state that the land is subject to Part 511.
- A transfer of title for land less than 10,000 acres must be withdrawn if there is no public access for hunting and fishing.
- A landowner who has acquired land that is listed in the CF Program is responsible for complying with Part 511, or withdrawing the land from the CF Program. Landowners who acquire CF land must be compliant (submit to DNR their active forest management plan or contract for a plan to be written) within 90 days of the date of their deed or land contract. It is recommended that buyers provide a copy of their recorded deed or

land contract to DNR immediately following the sale.

How to Apply to Enroll Land in the Program

- Application forms to enroll land are available at: Michigan.gov/CommercialForest.
- If landowners have application questions, they should contact DNR before applying to list their land.
- Enrollment applications are accepted beginning January 1 each year and must be postmarked no later than April 1. If approved, the property tax status changes the following tax year. A non-refundable application fee must be submitted with the list application form. The fee for listing 200 acres or less is \$200. The fee for listing 201 acres or more is \$1.00 per acre or fraction of an acre, up to a maximum of \$1,000.
- Landowners must own the timber rights and submit a forest management plan to the DNR with their application.
- Landowners must provide copies of their most recent property tax bill and recorded deed or land contract evidencing ownership of the land to be listed.
- Do not submit an application if the land is already in the program.
- A complete application includes:
 - Application form
 - Application fee
 - Forest Management Plan
 - Deed or land contract
 - Most recent property tax bill

Violations of Part 511

- If the landowner's CF specific tax is not paid on their CF land each year, those lands may be sold at tax sale and the DNR may remove the land from the program.
- Violations of Part 511 may be misdemeanors or felonies subject to a fine and/or imprisonment. Harvesting, cutting or removing forest products having a value of more than \$2,500.00 in violation of Part 511 is a felony subject to a fine and/or imprisonment.

How to Withdraw Land from the Program

- Withdrawal application forms are available at: Michigan.gov/CommercialForest.
- A nonrefundable withdrawal application fee must be submitted with the application form. The fee for withdrawing 200 acres or less is \$200. The fee for withdrawing 201 acres or more is \$1.00 per acre, up to a maximum of \$1,000.
- A copy of the landowner's deed or land contract evidencing ownership of the land to be withdrawn must also be included.
- Partial withdrawals must be reviewed to determine if the remaining land is still eligible. Withdrawals of less than 40 acres may require township split approval. A survey may also be required.
- The CF owner is required to pay a withdrawal penalty. Using the formula in Part 511, the DNR will calculate the withdrawal penalty and instruct the landowner to pay the withdrawal penalty to the township treasurer, after receipt and processing of the application.

Contact Us

For questions and additional information, contact the Commercial Forest Program.

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Disclaimer

The information in this document is a brief summary. Part 511, the Commercial Forest Administrative Rules, applications, and forms are available at: Michigan.gov/CommercialForest.