



## COMMERCIAL FOREST SUMMARY

*(Parts 511 of Act 451, P.A. 1994, as amended)*

Commercial Forest (CF) program provides a property tax incentive to private landowners to retain and manage forestland for long-term timber production. It is a voluntary program; participating landowners may withdraw from the program at any time. The CF program is administered by the Michigan Department of Natural Resources (DNR).

### Benefit to the Landowner

- Landowners do not pay ad valorem general property taxes. Instead, landowners pay a specific tax. The CF specific rate for 2017-2021 is \$1.30 per acre annually. The specific rate increases 5 cents every 5 years.
- The State of Michigan makes an annual payment to the County Treasurer equal to the specific rate on behalf of the landowner.

### General Information

- Listed land must be devoted to commercial forest management.
- A minimum of 40 contiguous forested acres must be available for listing.
- The landowner must have a forest management plan written by a registered forester or natural resources professional. The plan must describe how the listed land will be managed and include a schedule of treatments, such as reforestation and timber harvesting.
- Cutting, harvesting, and the removal of forest products are allowed, if prescribed in the landowner's forest management plan and upon prior written notice to the DNR.
- Deposits of oil and gas may be removed upon application to and approval by the DNR.
- While exploration of minerals is permitted, an owner must withdraw that portion of forestland affected by removal of any commercial mineral.
- Sand and gravel may be removed from CF land under limited circumstances after application to and approval by the DNR.
- Listed land must be open to the public for fishing, hunting, and trapping (foot access).

### Timber Management

- Land must meet site productivity requirements.
- Newly planted trees must have survived through two growing seasons before the planted land can be considered for listing.
- Landowners must notify the DNR in writing 30 days prior to any cutting, harvesting, or removal of forest products on listed land.
- All timber management, tree cutting, and reforestation on listed lands must be done according to the written forest management plan in effect for those lands. A violation of the plan is also a violation of the CF statute (Part 511, Commercial Forests, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended).

### Some Restrictions/Limitations

- Listed land cannot be used for agriculture, mineral extraction, grazing, industry, developed recreation, residences, resorts, commercial purposes, or developmental purposes.
- Land managed for Christmas trees is not eligible.

### Other Information

- If the landowner's CF specific tax is not paid on listed lands each year, those lands may be sold at tax sale and the DNR may remove the land from the program.
- Any document that transfers title to CF land must state that the land is subject to the CF statute.
- When title transfers occur on CF land, the County Equalization Office is responsible for notifying the DNR within 30 days of being notified of the ownership change.
- A landowner who has acquired land that is listed in the CF program is responsible for being in compliance with the CF statute, or for withdrawing the land from the CF program.

## How to Apply

- Application forms are available from the DNR and at: [www.michigan.gov/commercialforest](http://www.michigan.gov/commercialforest)
- Landowners should discuss their land with a DNR Forester before applying to list the land.
- A complete application must be postmarked no later than **April 1**, to be considered for listing 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 provide a written forest management plan and certify such a plan exists and is in effect.
- Landowners must certify to ownership of timber rights.
- Landowners must provide a copy of the recorded deed or recorded land contract evidencing ownership of the land to be listed.
- A complete application includes:
  - Application Form
  - Application Fee
  - Forest Management Plan
  - Forest Management Plan Certification
  - Recorded Deed

## How to Withdraw

- Withdrawal application forms are available from the DNR and at: [www.michigan.gov/commercialforest](http://www.michigan.gov/commercialforest)
- A 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 recorded deed or recorded land contract, evidencing ownership of the land to be withdrawn, must also be included.
- A withdrawal penalty will be assessed. Using the formula in the CF statute, 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.

## Violations of the Statute

Violations of the CF statute may be misdemeanors or felonies subject to a fine and/or imprisonment. Harvesting, cutting, or removing forest products in violation of the CF statute, and having a value of more than \$2,500.00, is a felony subject to a fine and/or imprisonment.

## Information and Forms

All requests for applications or information should be directed to:

DEPARTMENT OF NATURAL RESOURCES  
FOREST RESOURCES DIVISION  
COMMERCIAL FOREST  
P.O. BOX 30452  
LANSING, MI 48909-9845  
TELEPHONE 517-284-5849

## Disclaimer

*The information in this document is a brief summary. The CF statute, applications, and forms are available upon request and on the DNR's website at [www.michigan.gov/commercialforest](http://www.michigan.gov/commercialforest)*