



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RICK SNYDER
GOVERNOR

R. KEVIN CLINTON
STATE TREASURER

DATE: April 8, 2014
TO: Members of the State Tax Commission
FROM: Kelli Sobel, Executive Director
SUBJECT: Qualified Forest

Changes to the Qualified Forest Act which took effect with the passage of Public Act 42 of 2013 now allow parcels to qualify for the exemption if they have structures or buildings on the parcels. However, those structures or buildings are not eligible for the exemption. The Commission was recently contacted by the Michigan Department of Agriculture and Rural Development regarding how assessors should treat these structures or buildings on Qualified Forest Properties to ensure uniform property valuation.

I am recommending the following be released to assessing officers regarding this issue:

The State Tax Commission recommends that when dealing with Qualified Forest Properties with structures or buildings, assessors should establish separate parcel numbers for the land and separate parcel numbers for the buildings. This will allow for exemption of the land and proper taxation of the structures or buildings. Assessors are advised that one acre of land should be assigned to the parcel with the structures or buildings. This new parcel number for the buildings is for assessing and taxation purposes only and would not constitute a split of the parcel.