



Qualified Forest Program

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The Qualified Forest Program (QFP) provides a property tax exemption for private landowners who actively manage their forestland for commercial harvest. The goal of the program is to fuel regional economies through timber harvest and individual tax savings.

IMPACT FOR MICHIGAN:

More than 10 million acres of forested land in Michigan is owned by “non-industrial” private landowners. These lands are currently harvested at one-third the rate of forest growth. Consequently, millions of dollars of timber that could be harvested is going unutilized. By helping landowners manage their forestland, it is estimated that the QFP will stimulate more than 900 additional forestry-related jobs, \$195 million in business revenue, and \$44 million in labor income.

2021 ACCOMPLISHMENTS:

- Enrolled 69,034 new acres, bringing total participation to 805,341 acres.
- Public Act 672 of 2018 increased the limitation of 1.2 million acres of qualified forest property that can be exempted to 2.5 million; eliminated the 640-acre cap on the number of acres that may be enrolled per local unit of government and landowner; clarifying the intent and improving the administration of the program. The legislative changes created an additional opportunity for forest landowners to enroll in the program, further supporting the forest products industry.
- Streamlined and improved queries and functionality of the current database to provide meaningful data to partners in forestry.
- QFP and Forestry Assistance Program are continuing collaborative marketing efforts to landowners that may be eligible for program enrollment, based upon acreage and property classification.

MEASURING SUCCESS:

Metric	2017	2018	2019	2020	2021
Applications Submitted	681	617	614	452	576
Forest Management Plans Received	587	546	604	432	504
Acres from Commercial Forest (DNR)	1,772	1,512	1,676	1,266	3,835
New Acreage Enrolled	77,224	55,409	167,883	70,679	69,034
Cumulative Acres Enrolled	427,959	483,368	665,628	736,307	805,341
Harvested Wood Products (cords)	112,298	275,402	93,347	352,339	270,788
Harvested Timber Value (dollars)	3,143,995	5,636,097	3,890,722	6,110,208	6,992,302
Revenue Received from 2 Mill Fee	342,114	414,437	482,171	660,810	648,194

2022 PROGRAM GOALS:

- Increase enrollment in the QFP by 100,000 acres for the 2023 tax year.
- Continuous improvements with the QFP database to capture provisions outlined in PA 672 of 2018, and to improve efficiencies in the processing time of applications and data management.
- Continue working with Forestry Assistance Program staff and other marketing partners toward the development and implementation of new and existing targeted marketing campaigns to raise awareness of the benefits of the QFP.
- Meet with forestry stakeholders and other groups (i.e., local units of government) to develop relationships, discuss the QFP and its benefits, and encourage collaborative efforts between the public and private sectors.



KEY STAKEHOLDERS

- Private forestland owners
- Forest plan writers
- Commercial foresters
- Conservation Districts
- Forest products industry

LEGAL AUTHORITY:

- MCL 211.7jj[1] (general provisions)
- MCL 211.1033 (recapture tax imposition)
- MCL 211.1034 (recapture tax rate)
- MCL 324.51305 (private forest land enhancement fund)
- MCL 324.51306 (qualified foresters)
- MCL 380.1211 (exemption of qualified forest property)
- MCL 211.1091-211.1101 (transitional qualified forest)