

SENATE BILL No. 197

February 13, 2001, Introduced by Senators MC MANUS, GAST, SIKKEMA and BENNETT and referred to the Committee on Farming, Agribusiness and Food Systems.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 51301, 51304, 51305, 51306, 51309, and 51311 (MCL 324.51301, 324.51304, 324.51305, 324.51306, 324.51309, and 324.51311), as added by 1995 PA 57, and by adding sections 51302a, 51302b, 51302c, and 51302d; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

SENATE BILL No. 197

1 Sec. 51301. ~~The owner or operator of a tract of land not~~
2 ~~exceeding 160 acres, where at least 1/2 of the land is improved~~
3 ~~and devoted to agricultural purposes, may designate a portion of~~
4 ~~that land, not exceeding 1/4 of the total area of the tract, as a~~
5 ~~private forest reservation upon filing with the treasurer of the~~
6 ~~county in which it is located a description of the forest~~
7 ~~reservation as provided in this part.~~ AS USED IN THIS PART:

1 (A) "DEPARTMENT" MEANS THE DEPARTMENT OF NATURAL RESOURCES.

2 (B) "PRIVATE FOREST" MEANS A TRACT OF FORESTLAND AT LEAST 10
3 ACRES IN SIZE THAT IS CAPABLE OF ALL OF THE FOLLOWING:

4 (i) PRODUCING NOT LESS THAN 20 CUBIC FEET PER ACRE PER YEAR
5 OF FOREST GROWTH UPON MATURITY.

6 (ii) PRODUCING TREE SPECIES THAT HAVE ECONOMIC OR COMMERCIAL
7 VALUE.

8 (iii) PRODUCING A COMMERCIAL STAND OF TIMBER WITHIN A REA-
9 SONABLE PERIOD OF TIME.

10 SEC. 51302A. THE OWNER OF A PARCEL OF LAND THAT CONTAINS AT
11 LEAST 10 ACRES OF PRIVATE FOREST MAY APPLY TO THE DEPARTMENT FOR
12 A PRIVATE FORESTLAND SPECIFIC TAX EXEMPTION CERTIFICATE IF ALL OF
13 THE FOLLOWING CONDITIONS ARE MET:

14 (A) THE PARCEL CONTAINS NOT MORE THAN 1 BUILDING OF ANY
15 KIND.

16 (B) THE OWNER HAS PREPARED OR HAS HAD PREPARED A MANAGEMENT
17 PLAN FOR THE PRIVATE FOREST.

18 (C) THE PRIVATE FOREST IS NOT BEING USED IN A MANNER THAT IS
19 INCONSISTENT WITH THE USE OF THE LAND FOR FORESTRY PURPOSES.

20 SEC. 51302B. (1) A PERSON WHO WISHES TO RECEIVE A PRIVATE
21 FORESTLAND SPECIFIC TAX EXEMPTION CERTIFICATE SHALL SUBMIT AN
22 APPLICATION TO THE DEPARTMENT IN A MANNER PRESCRIBED BY THE
23 DEPARTMENT AND CONTAINING THE INFORMATION REQUIRED BY THE
24 DEPARTMENT. THE APPLICATION SHALL INCLUDE A MANAGEMENT PLAN FOR
25 THE PRIVATE FOREST.

26 (2) THE DEPARTMENT SHALL GRANT A PRIVATE FORESTLAND SPECIFIC
27 TAX EXEMPTION CERTIFICATE FOR THAT PORTION OF A PARCEL OF LAND

1 THAT IS HELD AS PRIVATE FOREST IF THE APPLICANT AND THE PRIVATE
2 FOREST MEET THE REQUIREMENTS OF THIS ACT AND THE RULES PROMUL-
3 GATED UNDER THIS ACT.

4 SEC. 51302C. (1) A PRIVATE FORESTLAND SPECIFIC TAX EXEMP-
5 TION CERTIFICATE IS EFFECTIVE BEGINNING JANUARY 1 OF THE YEAR
6 FOLLOWING THE DATE IT WAS GRANTED AND IS VALID FOR A 10-YEAR
7 PERIOD AS LONG AS THE RECIPIENT OF THE TAX EXEMPTION CERTIFICATE
8 AND THE PRIVATE FOREST REMAIN IN COMPLIANCE WITH THIS PART AND
9 THE RULES PROMULGATED UNDER THIS PART.

10 (2) IF THE DEPARTMENT GRANTS A PRIVATE FORESTLAND SPECIFIC
11 TAX EXEMPTION CERTIFICATE, THE DEPARTMENT SHALL NOTIFY THE TAX
12 ASSESSOR FOR THE LOCAL UNIT OF GOVERNMENT IN WHICH THE PROPERTY
13 IS LOCATED.

14 (3) IF AT ANY TIME THE OWNER OF THE LAND SUBJECT TO A PRI-
15 VATE FORESTLAND SPECIFIC TAX EXEMPTION CERTIFICATE OR THE PRIVATE
16 FOREST IS NOT IN COMPLIANCE WITH THIS PART AND THE RULES PROMUL-
17 GATED UNDER THIS PART, THE CERTIFICATE IS VOID AS OF THAT DATE
18 AND THE OWNER OF THE LAND IS SUBJECT, AS OF THAT DATE, TO AD
19 VALOREM PROPERTY TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893
20 PA 206, MCL 211.1 TO 211.157, AND ANY INTEREST IMPOSED UNDER THAT
21 ACT.

22 SEC. 51302D. (1) IF THE DEPARTMENT GRANTS A PRIVATE FOREST-
23 LAND SPECIFIC TAX EXEMPTION CERTIFICATE, THE OWNER OF THE LAND
24 SUBJECT TO THE CERTIFICATE IS SUBJECT TO THE PRIVATE FORESTLAND
25 SPECIFIC TAX. THE PRIVATE FORESTLAND SPECIFIC TAX IS AN ANNUAL
26 TAX, PAYABLE AT THE SAME TIMES, IN THE SAME INSTALLMENTS, AND TO
27 THE SAME OFFICER OR OFFICERS AS TAXES IMPOSED UNDER THE GENERAL

1 PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157, ARE
2 PAYABLE. THE OFFICER OR OFFICERS SHALL DISBURSE THE PRIVATE FOR-
3 ESTLAND SPECIFIC TAX PAYMENTS RECEIVED EACH YEAR TO AND AMONG THE
4 STATE, CITIES, TOWNSHIPS, VILLAGES, SCHOOL DISTRICTS, AND AUTHOR-
5 ITIES, AT THE SAME TIMES AND IN THE SAME PROPORTIONS AS REQUIRED
6 BY LAW FOR THE DISBURSEMENT OF TAXES COLLECTED UNDER THE GENERAL
7 PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157.

8 (2) THE TAX RATE OF THE PRIVATE FORESTLAND SPECIFIC TAX IS
9 AS FOLLOWS:

10 (A) IF THE OWNER ALLOWS MEMBERS OF THE GENERAL PUBLIC ACCESS
11 TO THE LAND FOR HUNTING AND FISHING, 1/3 OF THE RATE THAT WOULD
12 OTHERWISE BE ASSESSED UNDER THE GENERAL PROPERTY TAX ACT, 1893
13 PA 206, MCL 211.1 TO 211.157.

14 (B) IF THE OWNER DOES NOT ALLOW MEMBERS OF THE GENERAL
15 PUBLIC ACCESS TO THE LAND FOR HUNTING OR FISHING, 2/3 OF THE RATE
16 THAT WOULD OTHERWISE BE ASSESSED UNDER THE GENERAL PROPERTY TAX
17 ACT, 1893 PA 206, MCL 211.1 TO 211.157.

18 Sec. 51304. A landowner shall not receive the benefit of
19 this part if the landowner permits cattle, horses, sheep, hogs,
20 or goats to pasture upon A private forest ~~reservation~~ THAT IS
21 SUBJECT TO A PRIVATE FORESTLAND SPECIFIC TAX EXEMPTION CERTIFI-
22 CATE UNDER THIS PART before at least 90% of the trees are 2
23 inches in diameter, and then only under rules promulgated by the
24 department.

25 Sec. 51305. A private forest ~~reservation~~ THAT IS SUBJECT
26 TO A PRIVATE FORESTLAND SPECIFIC TAX EXEMPTION CERTIFICATE UNDER
27 THIS PART shall be kept fully stocked with forest trees under the

1 rules promulgated by the department and shall be maintained as a
2 woodlot.

3 Sec. 51306. If any trees are removed from a private forest
4 ~~reservation~~ SUBJECT TO A PRIVATE FORESTLAND SPECIFIC TAX EXEMP-
5 TION CERTIFICATE UNDER THIS PART, provision shall be made for
6 complete restocking with forest trees under the rules of the
7 department.

8 Sec. 51309. The supervisor or assessor in each township
9 shall keep a record of all private ~~forest reservations~~ within
10 ~~the township as certified by the treasurer of the county, and he~~
11 ~~or she shall require the owner or his or her agent to subscribe~~
12 ~~under oath the extent and description of the land selected as~~
13 ~~private forest reservation and that the number of trees is as~~
14 ~~required by this part and that the owner or his or her agent will~~
15 ~~maintain the same according to the intent of this part~~ FORESTS
16 SUBJECT TO PRIVATE FORESTLAND SPECIFIC TAX EXEMPTION CERTIFICATES
17 UNDER THIS PART.

18 Sec. 51311. The ~~supervisor~~ DEPARTMENT or assessor shall
19 personally examine the various private ~~forest reservations~~
20 FORESTS FOR WHICH PRIVATE FORESTLAND SPECIFIC TAX EXEMPTION CER-
21 TIFICATES HAVE BEEN ISSUED when the ~~real estate~~ PROPERTY is
22 assessed for taxation, and note upon return the condition of the
23 trees and whether the trees are properly planted and continuously
24 cared for, so that the intent of this part may be complied with.
25 If the private ~~reservation~~ FOREST is properly planted and con-
26 tinuously cared for in accordance with this part, the part of
27 ~~its value, over and above \$1.00 per acre,~~ THE PRIVATE FOREST

1 DESCRIBED IN THE PRIVATE FORESTLAND SPECIFIC TAX EXEMPTION
2 CERTIFICATE is exempt from all taxation EXCEPT AS PROVIDED IN
3 THIS PART. ~~If the owner of a private forest reservation pro-~~
4 ~~vided for in this part wishes to cut and harvest trees in the~~
5 ~~reservation, except for firewood or building material for the~~
6 ~~domestic use of the owner or his or her tenant, the owner shall~~
7 ~~notify the tax assessor of his or her district of the intention~~
8 ~~and after the trees are cut, and before their removal from the~~
9 ~~land, the owner shall make an accurate measurement or count of~~
10 ~~all the trees cut, and file with the assessor a true and accurate~~
11 ~~return of the measurement or count and of the variety and value~~
12 ~~of the trees so cut. The assessor shall forthwith assess the~~
13 ~~stumpage value of the cut timber and issue a license to remove~~
14 ~~the timber. The license is in effect upon payment to the collec-~~
15 ~~tor of taxes of the district of a fee of 5% of the appraised~~
16 ~~valuation. The assessor shall notify the clerk and the tax col-~~
17 ~~lector of his or her district of the issuance of the license. If~~
18 ~~any timber is removed without payment of the license fee, it is~~
19 ~~the duty of the tax collector to levy upon the timber for collec-~~
20 ~~tion of the license fee in the manner provided by law for the~~
21 ~~collection of personal taxes. If the owner of a private forest~~
22 ~~reservation wishes to withdraw land from the classification of a~~
23 ~~private forest reserve, or fails to comply with this part, the~~
24 ~~tax assessor of the district shall estimate the cash value of the~~
25 ~~timber on the stump and the owner shall pay a fee of 5% of the~~
26 ~~appraised valuation; and, upon refusing or neglecting to make the~~
27 ~~payment, the tax collector shall levy upon the timber for~~

~~1 collection of the fee in the manner provided by law for the
2 collection of personal taxes.~~

3 Enacting section 1. Sections 51302, 51303, 51308, and 51310
4 of the natural resources and environmental protection act, 1994
5 PA 451, MCL 324.51302, 324.51303, 324.51308, and 324.51310, are
6 repealed.