

# Class 2c Managed Forest Land

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Property Tax Fact Sheet 17

Fact Sheet

This property classification, enacted in 2008, provides a reduced class rate of 0.65 percent to forested property that is subject to a current forest management (stewardship) plan and that meets other requirements. There is no minimum term of enrollment; property will receive the reduced class rate as long as it is enrolled and continues to meet the necessary requirements.

## What is it?

Property owners that own forested land and who actively abide by the prescriptions set forth in a qualifying forest management plan may receive a reduced class rate of 0.65 percent on any eligible land.

## What are the qualifications?

To qualify for class 2c managed forest land, your property must meet the following conditions:

- Have at least 20 eligible acres of forested land (but can only enroll up to 1,920 acres statewide);
- Have a forest management plan that is registered with the DNR and less than 10 years old;
- Cannot be used agriculturally; and
- Cannot include property that is enrolled in the Sustainable Forest Incentive Act (SFIA) program, CRP, CREP, RIM, or the Green Acres program.

The 20 acre requirement is based on the aggregate of all eligible land on contiguous parcels, not a parcel-by-parcel basis.

Class 2c managed forest land property does not receive homestead benefits.

## Do structures qualify for the classification?

The presence of a minor, ancillary structure does not disqualify a property from receiving class 2c. These structures are defined as sheds or other primitive structures that add minimal value and are not designed for residential use, the aggregate size of which is less than 300 square feet. The presence of water, sewer, electrical or gas service/hook ups, kitchen facilities, and separate bedroom areas, would all be signs that a structure is not a minor, ancillary structure.

Structures that do not qualify as a minor, ancillary structure require a minimum of 10 acres to be split off and assigned to the structure and classified according

to the use of the structure.

## How do I apply?

Applications are available in your county assessor's office. Application must be made by May 1 to qualify for class 2c for the current assessment year, taxes payable the following year. For example, in order to qualify for class 2c for the 2010 assessment, you must apply by May 1, 2010. The classification will then affect your taxes payable in 2011.

You must have a valid forest management plan at the time of application. You cannot apply for the classification pending a forest management plan.

## Can I sell the property once it is enrolled?

Yes. However, if ownership changes after a property is classified as 2c, the new owners will need to complete a new 2c application in order to continue to receive the classification, as well as provide an updated forest management plan that is registered in the new owner's name.

## What information do I need to supply?

You must supply the assessor with a completed application, copies of property tax statements for all parcels being enrolled, and copy of a registered forest management plan that encompasses all the land that is being enrolled.

## How do I get a Forest Management Plan?

Contact your local Department of Natural Resources (DNR) office or forester to learn about developing a forest management plan. Plan writers must be approved by the DNR.

## What if I have questions?

For more information, or for answers to specific questions, contact your county assessor's office.



Signature and Verifications

**Section 3** – You must attach all the requested documentation to your application to be eligible for this classification.

I certify that none of eligible acres (column C) listed above are enrolled in the Sustainable Forest Incentive Act (SFIA) program.

Yes  No

I have attached copies of the property tax statement for each parcel listed above.

Yes  No

I have attached a copy of the registered forest management plan that encompasses all of the land/acres listed on this application, and this plan was developed/updated by a DNR-approved plan writer within the last 10 years.

Year your forest management plan was developed/updated? \_\_\_\_\_

I certify that my forest management plan is registered with the DNR  Yes  No

**Signature of owner or authorized representative:**

*By signing below, I certify that this form is correct and complete to the best of my knowledge and belief. I am the owner of the property or authorized representative of the organization that owns the property and I agree to follow the land's forest management plan and verify that there is not more than 1,920 acres enrolled for the classification.*

**Making false statements on this application is against the law**

Minnesota Statute 609.41 states that anyone giving false information in order to avoid or reduce their tax obligations is subject to a fine of up to \$3,000 and/or up to one year in prison.

Signature of applicant or authorized representative	Date	Daytime phone (    )
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Please return completed application and required attachments to your county assessor.

**For office use only to be completed by the county assessor**

Name of applicant \_\_\_\_\_ Classification is  Approved  
 Denied for assessment year: \_\_\_\_\_

Assessor's Signature \_\_\_\_\_ Date \_\_\_\_\_

# Instructions for 2c Managed Forest Land application

## Who is eligible?

The reduced class rate of 0.65 percent is available to property owner's who own property that is:

*Unplatted real estate that is rural in character, is not used for agricultural purposes, and is not improved with a structure; that has a qualifying forest management plan in place, but is not enrolled in the Sustainable Forest Incentive Act (SFIA) program. A minor ancillary, non-residential structure does not disqualify a property from this classification.*

The property must be no less than 20 acres and total enrolled acreage is limited to 1,920 acres statewide. The property must also be managed under a qualifying forest management plan that was developed by a DNR approved forest management plan writer within the last ten years.

A property that is improved with a structure that is not a minor ancillary non-residential structure, or an improved building site that provides water, sewer, or electrical hookups, will be split-classified, with 10 acres being assigned to the structure. Minor ancillary nonresidential structures are sheds or other primitive structures, the aggregate size of which are less than 300 square feet that add minimal value and are not used residentially; provided the occasional overnight use for hunting or other outdoor activities shall not preclude the structure from being considered a minor, ancillary structure.

Property receiving this classification *cannot* be enrolled in the Sustainable Forest Incentive Act (SFIA) program, CRP, CREP, RIM, or the Green Acres program.

The DNR must confirm that the property qualifies and will annually verify that the property continues to qualify for the classification.

## Required attachments

You must attach the following to your application:

- a copy of your property tax statement for each parcel of land you list on the application, and
- a copy of your forest management plan that has been developed or updated by a DNR-approved plan writer within the last 10 years. The plan must contain clear and accurate information, including maps that clearly define what property will be included in the 2c Managed Forest Land classification. The forest management plan must also be registered with the DNR.

## Due date

Your application and all required attachments are to be sent to the county assessor by no later than May 1, for taxes payable the following year.

Applications received after May 1 will be denied for that year. If all the required information and attachments are not provided, your application will be delayed or denied.

## Instructions for completing form

### Section 1 — Landowner information

Provide your name and address.

### Section 2 — Parcel information

- **Column A:** Enter the property identification number (PID) for each parcel of land you wish to enroll. You can find the PID on the property tax statement for that parcel.

Also attach a copy of the property tax statement for each parcel of land you are enrolling.

- **Column B:** List the total acreage of each parcel. Round the amount of acres to the nearest whole acre.
- **Column C:** List the number of acres that you wish to enroll for the 2c classification for that particular parcel. Round the amount of acres to the nearest whole acre.

## Section 3 — Signature and Verifications

Mark the appropriate boxes and provide the year your forest management plan was developed. Make certain that you attach all of the required documentation.

By signing the application you are:

- declaring the form is correct and complete to the best of your knowledge,
- certifying that you are the owner or authorized representative of the entity that owns the land,
- agreeing to follow the provisions of the land's forest management plan, and
- certifying that the land is not enrolled in the Sustainable Forest Incentive Act (SFIA) program, CRP, CREP, RIM, or the Green Acres program.

Your signature is required. An unsigned application is considered incomplete.

## Information and assistance

If you need additional information or assistance, contact your county assessor.