



2005/06 OREGON FORESTLAND TAXES, ASSESSMENTS AND CREDITS

(Updated semi-annually –January 2006 Edition)

LAW REFERENCE	PURPOSE	APPLIES TO	TYPE OF TAX/ASSESSMENT	ADMIN. BY
FORESTLAND				
ORS 321.347-390 ORS 321.805-855	Revenues paid as property taxes will provide local revenue.	Applies to all lands previously classified as either highest and best use forestland or qualified for special designation as forestland. Owners wishing to qualify 2 acres or more of forestland must apply to the county assessor by April 1, 2006 to enter the program beginning July 1, 2006.	Land Tax: Land is taxed at a special rate that is based on the typical price paid for land managed for the production of harvestable timber. Detailed program information is available at: http://egov.oregon.gov/DOR/TIMBER/index.shtml	County Assessors
Small Tract Forestland Option ORS 321.700-722	Provide an optional property tax payment method for small tract owners.	Owners of 10 to 5,000 acres of forestland in Oregon are eligible. Other limitations apply for lands classified under the Small Tract Forestland option. Must apply to the county assessor by April 1, 2006 to enter this program beginning July 1, 2006.	Land Tax: Annual property tax based on 20% of forestland special assessment land values.	County Assessors
Small Tract Severance Tax ORS 321.726-754	Recover property taxes forgone	Severance Tax applies to timber harvested after January 2004 that is assessed under the Small Tract Forestland option. For more info see web link below: http://egov.oregon.gov/DOR/TIMBER/index.shtml	Severance Tax: Intended to recover projected unpaid property tax in year timber harvests occur. Rate is recalculated each year in June. Estimate of tax for 2006 is 2005 rate plus 3%. Check Department of Revenue web site in June or look for the update to this reference in July for actual rate. Eastern Oregon rate - \$3.12 per MBF (2005 rate) Western Oregon rate - \$4.00 per MBF (2005 rate)	Department of Revenue
Farm Wood Lot ORS 308A.056(3)(h)	Provide local revenue.	Owners of land taxed as farmland may put up to 20 acres of contiguous timbered land into the farm special assessment programs.	<i>Land Tax:</i> Land is taxed at a special rate that is based on the ability of the land to support farm products.	County Assessors
Forest Products Harvest Tax		<i>Timber harvested from <u>all</u> public and private lands.</i>	<i>First 25 MBF harvested by taxpayer excluded.</i>	Department of Revenue
ORS 321.015	OSU Forest Research Lab	Rates for Calendar year 2006 Taxed per thousand board feet = MBF	67¢ per MBF	
ORS 321.015	Forestland Protection Fund		50¢ per MBF <ul style="list-style-type: none"> • 50¢ when fund is \$22.5 million or less • Reduced 50% when fund is between \$22.5 million and \$30 million • Not assessed when fund exceeds \$30 million 	
ORS 321.015	Forest Practices Act		55¢ per MBF	
ORS 321.017	Oregon Forest Resources Institute		89¢ per MBF	
			\$2.61 per MBF = TOTAL	

Rates apply for calendar year 2006



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Forest Protection District ORS 477.060	Wildland-urban Interface fire protection	Fire Patrol Assessment surcharge on lands protected by the Department of Forestry and which have been classified as forestland-urban interface. Applies in forest protection districts which have activated the surcharge, to help pay the special or additional costs of protection to such lands.	Not currently being assessed. Up to \$25 per lot. Amount set in accordance with an annual plan approved by a committee of local forest landowners.	County Assessors and Department of Forestry
ORS 477.205 – 477.291	Fire Protection	Fire Patrol Assessment on lands protected by the Department of Forestry.	Per acre rate, determined by forest protection district budget divided by the number of acres protected. For private lands, 50% is paid by the General Fund.	
ORS 477.295	Minimum Lot Assessment	All Oregon Department of Forestry protected forest and grazing land where district assessment would be less than the minimum.	\$15 <i>per</i> lot	
Emergency Fire Protection Assessment	Emergency Fire Funding		Oregon Forest Land Protection Fund	County Assessors and Department of Forestry
ORS 477.880		Acreage Assessment on lands protected by the Department of Forestry:	Rates when fund is \$22.5 million or less <ul style="list-style-type: none"> • Eastern Oregon lands - 6¢ per acre • Western Oregon forestland - 4¢ per acre • Western Oregon grazing land - 6¢ per acre Rates reduced by 50% when fund is between \$22.5 million and \$30 million	
ORS 477.277		Fire Patrol Assessment on lands protected by the Department of Forestry and which contain improvements.	Not assessed when fund exceeds \$30 million <ul style="list-style-type: none"> • \$38 per lot when fund is \$22.5 million or less • Rates reduced by 50% when fund is between \$22.5 million and \$30 million 	
ORS 477.295		Minimum lot assessment.	<ul style="list-style-type: none"> • Not assessed when fund exceeds \$30 million • \$3 per lot when fund is \$22.5 million or less • \$1.50 per lot when fund is between \$22.5 million and \$30 million 	
<i>Rates effective for fiscal year beginning July 1, 2005 through June 30,2006.</i>				
50% Forestation Credit ORS 315.104	Encourage forestation of underproductive forestland.	Forestation of all underproductive private forest lands. For more information on program details go to: http://egov.oregon.gov/ODF/PRIVATE_FORESTS/taxes.shtml#Tax_Credit	State income tax credit for 50% of eligible forest establishment costs. Per 2005 legislative action the Department will begin charging a fee in 2006 for processing tax credits to cover administrative expenses.	Department of Forestry
Riparian Land Assessment Incentive ORS 308A.350-383	Protect, conserve, or restore healthy riparian habitat.	The stream and associated riparian land are outside UGB and are zoned as forest or agricultural lands (including rangeland), or eligible land that was as of July 1, 1997 outside the UGB. Includes land up to 100 feet landward from the line of non-aquatic vegetation. Limited to 200 miles per county per year.	Property tax exemption for eligible areas under a plan with ODFW.	Oregon Department of Fish and Wildlife