



HOUSE RESOLUTION 686

Restoring Fairness to Timber Harvest Taxation

HOUSE
166-0

SENATE

GOVERNOR'S
SIGNATURE

CONSTITUTIONAL
AMENDMENT

BACKGROUND

Timber is the only agricultural or mining commodity in Georgia that is subject to a harvest (or “severance”) tax. In addition, it is taxed based on 100% of its value, instead of 40% of its value like other real property (i.e. homes, buildings, land, etc.). This disparity diminishes a forest landowner’s ability to invest in managing their timber and dampens the desire to own Georgia timberland — two factors that threaten Georgia’s standing as the **#1 Forestry State in the Nation**.

HOUSE RESOLUTION 686

The Georgia Forestry Association supports House Resolution 686, sponsored by Rep. Sam Watson (R-Moultrie), to address this disparity. This legislation includes two important provisions:

1. It reduces the tax assessment on harvested timber to 40% of market value, bringing it in line with all other real property in this state.
2. The legislation also has a neutral impact on local government revenue as it includes a mechanism by which the state backfills any lost local revenues.

WHY IT MATTERS

This bill would help a landowners ability to continue owning timberland and improve Georgia’s competitiveness with other major timber-producing states.

Case Study: Timberland Harvest Tax Comparison by State

In Georgia, forest landowners carry the highest tax burden when compared to neighboring states. The following chart compares revenue from a timber sale (\$/acre/year) relative to the effective tax burden.

	A	B	C	D	E	F
	NET TIMBER INCOME (\$/acre/year)	PROPERTY TAX (\$/acre/year)	HARVEST TAX (\$/acre/year)	NET INCOME AFTER TAX A-(B+C)=D	COMBINED TAX B+C=E	EFFECTIVE TAX RATE E/A=F
Georgia (100%) / Current	\$80	\$6.57	\$3.00	\$70	\$9.57	12.0%
Georgia (40%) / Proposed	\$80	\$6.57	\$1.20	\$72	\$7.77	9.7%
South Carolina	\$80	\$3.67	\$0.36	\$76	\$4.03	5.0%
Florida	\$80	\$3.97	\$0.00	\$76	\$3.97	5.0%
Arkansas	\$80	\$1.91	\$0.88	\$77	\$2.79	3.5%
Alabama	\$80	\$2.11	\$0.50	\$77	\$2.61	3.3%

COUNTY BY COUNTY DATA ON THE IMPACT OF HR 686 ON COUNTY REVENUE

Base data from Georgia Department of Revenue

COUNTY	HR686 IMPACT 1.5% Revenue Loss	COUNTY	HR686 IMPACT 1.5% Revenue Loss	COUNTY	HR686 IMPACT 1.5% Revenue Loss	COUNTY	HR686 IMPACT 1.5% Revenue Loss
Wayne	\$10,943.85	Burke	\$2,173.77	Thomas	\$860.45	White	\$45.98
Clinch	\$10,552.77	Harris	\$2,098.20	Baldwin	\$850.16	Whitfield	\$42.33
Emanuel	\$8,016.90	Mitchell	\$2,098.05	Tift	\$810.75	Muscogee	\$40.41
Charlton	\$6,673.17	Bacon	\$2,080.32	Chattooga	\$713.85	Catoosa	\$39.93
Camden	\$6,623.36	Brooks	\$2,072.03	Heard	\$706.29	Habersham	\$36.38
Washington	\$6,490.94	Grady	\$2,069.10	Carroll	\$706.28	Clarke	\$16.04
Echols	\$6,277.83	Bryan	\$2,022.56	Lincoln	\$701.10	Douglas	\$10.52
Screven	\$6,099.09	Meriwether	\$2,017.64	Lanier	\$678.44	Fayette	\$9.80
Laurens	\$5,818.14	Oglethorpe	\$2,016.17	Crisp	\$627.77	Lumpkin	\$7.89
Appling	\$5,649.35	Greene	\$1,876.91	Butts	\$619.91	Barrow	\$4.82
Hancock	\$5,491.16	Jones	\$1,851.23	Columbia	\$615.29	Fulton	\$3.99
Jeff Davis	\$5,322.08	McDuffie	\$1,729.85	Elbert	\$605.15	Fannin	\$3.62
Telfair	\$5,166.54	Baker	\$1,725.81	Floyd	\$584.18	Pickens	\$1.34
Ware	\$5,132.06	Putnam	\$1,703.18	Seminole	\$487.44	Union	\$0.57
Jefferson	\$4,793.42	Lowndes	\$1,679.34	Madison	\$474.42	Cobb	\$-
Coffee	\$4,679.81	Talbot	\$1,617.23	Franklin	\$452.43	Dekalb	\$-
Liberty	\$4,557.20	Crawford	\$1,615.88	Dougherty	\$447.36	Forsyth	\$-
Long	\$4,467.42	Quitman	\$1,555.97	Webster	\$446.84	Gwinnett	\$-
McIntosh	\$4,446.48	Marion	\$1,534.31	Miller	\$445.16	Rabun	\$-
Tattnall	\$4,352.66	Irwin	\$1,499.31	Polk	\$429.87	Rockdale	\$-
Randolph	\$4,231.07	Macon	\$1,479.32	Cherokee	\$353.45	Towns	\$-
Dodge	\$4,151.31	Lee	\$1,472.70	Walton	\$332.24	TOTAL	\$285,697.26
Decatur	\$4,060.56	Upson	\$1,442.33	Henry	\$331.56		TOTAL IMPACT TO COUNTIES
Wilkes	\$3,834.27	Jenkins	\$1,424.51	Pike	\$329.06		
Effingham	\$3,744.72	Turner	\$1,381.76	Peach	\$317.90		
Wheeler	\$3,724.82	Schley	\$1,371.96	Stephens	\$315.35		
Johnson	\$3,540.26	Candler	\$1,366.35	Richmond	\$310.11		
Bulloch	\$3,307.68	Calhoun	\$1,353.30	Lamar	\$290.54		
Wilkinson	\$3,260.54	Troup	\$1,343.45	Dade	\$287.18		
Twiggs	\$3,107.49	Morgan	\$1,326.83	Oconee	\$249.54		
Brantley	\$3,054.00	Bleckley	\$1,318.71	Spalding	\$240.33		
Montgomery	\$3,001.67	Wilcox	\$1,284.69	Chattahoochee	\$224.72		
Stewart	\$2,826.41	Clay	\$1,252.95	Bibb	\$221.22		
Atkinson	\$2,745.72	Colquitt	\$1,251.00	Coweta	\$209.37		
Toombs	\$2,666.36	Glynn	\$1,243.70	Walker	\$193.76		
Taliaferro	\$2,620.98	Evans	\$1,131.23	Gordon	\$179.21		
Berrien	\$2,553.12	Taylor	\$1,112.69	Jackson	\$169.22		
Dooly	\$2,521.35	Glascock	\$1,072.32	Bartow	\$158.67		
Pierce	\$2,487.93	Newton	\$1,061.03	Hart	\$142.49		
Warren	\$2,486.67	Cook	\$1,051.40	Hall	\$128.49		
Early	\$2,316.20	Monroe	\$1,038.08	Banks	\$125.49		
Treutlen	\$2,271.38	Pulaski	\$1,002.09	Gilmer	\$122.73		
Jasper	\$2,248.50	Haralson	\$997.01	Murray	\$80.58		
Sumter	\$2,234.84	Terrell	\$987.68	Clayton	\$78.29		
Ben Hill	\$2,215.38	Houston	\$943.74	Paulding	\$77.52		
Worth	\$2,185.74	Chatham	\$929.37	Dawson	\$71.61		

BY THE NUMBERS

- » **22 million acres (or 90%)** of Georgia's forests are privately owned¹
- » **Georgia has 118,000 family forest owners with 10 or more** acres for a total of 12.6 million acres (or 55% of total forest land)²
- » **Working and open lands receive only \$0.37 in public services on average** for each dollar of tax revenue raised³
- » **57% of Georgia citizens** depend on drinking water that is filtered by from forests⁴
- » **23% of Georgia's carbon emissions** from fossil fuel use is sequestered by Georgia's forests⁵

WHAT THEY ARE SAYING

The Georgia Forestry Association represents private forest landowners, who own and manage more than 90% of the forestland in the state.



“Our family uses the income generated off timber sales to reforest the land after harvest and to properly manage the land for the next 10-20 years. **When you understand the cumulative effect of all the taxes that are levied on landowners, it becomes difficult to justify additional investments in land management.**”

Dr. Johnny Bembry
Family Forest Owner in Hawkinsville, Georgia

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(1) Georgia Forestry Commission. (2019). [Sustainability Report for Georgia's Forests: January 2019](#)

(2) USDA Forest Service Southern Research Station. (2021). [Forests of Georgia, 2019](#).

(3) Farmland Information Center. American Farmland Trust. (2010). [Fact Sheet: Cost of Community Services](#).

(4) USDA Forest Service Southern Research Station, et. al. (2020). [Quantifying the role of State and private forest lands in providing surface drinking water supply for Georgia](#).

(5) Georgia Forestry Commission. (2015). [Statewide Assessment of Forest Resources, 2015](#).