

Forest Conservation and Taxation Tax Collector Conference

September 7, 2022

Rick Evans, Timber Tax Appraiser
Municipal and Property Division



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Rick Evans, Timber Tax Appraiser, Municipal and Property Division

Forest Conservation & Taxation

This presentation is intended for informational purposes only and is not a substitute for seeking professional advice or for reviewing the applicable laws and rules. This presentation represents some positions of the Department on the limited issues discussed herein, based on the law in effect at the time of the presentation and Department interpretation thereof, as well as the opinions and conclusions of its presenter.

For the current status of any tax law, practitioners and taxpayers should consult the source documents (i.e., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.) for independent verification.

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Rick Evans, Timber Tax Appraiser, Municipal and Property Division

www.nh.gov/revenue

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Welcome

New Hampshire Department of Revenue Administration




Announcements and Notices

Micro Announcements and Notices
The New Art of Utility Valuations Webinar - Follow the link to register
July 22, 2020 - 12:00 p.m. to 1:00 p.m.
July 1, 2020

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Rick Evans, Timber Tax Appraiser, Municipal and Property Division

www.nh.gov/revenue



Municipal and Property

The mission of the Municipal and Property Division is to assure fairness, equity and proportionality in the assessment and collection of property taxes and the administration of municipal finances in the state by establishing tax rates, providing technical assistance and education to municipal officials, monitoring revaluations, reviewing assessment practices, equalizing local assessed valuation, appraising public utility and railroad property, and administering timber and gravel taxation.

Director
Samuel Greene

→ **Property**

The Municipal and Property Division also oversees the Assessment Review and Equalization bureaus and has the responsibility of:

- ♦ Monitoring revaluations and revaluation contracts
- ♦ Timber and Gravel Excavation Assistance
- ♦ Assessing Standards, Current Use, and Equalization Standards Boards administrative assistance
- ♦ Reporting on a variety of assessment information - individual municipal and/or statewide levels

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Municipal and Property - Property

The Municipal and Property Division assists and educates municipalities with the methods of appraisal and assessment of real property including exemptions, tax credits and current use. The division develops and presents educational classes on assessing related fields statewide. At no expense to the municipality, the division monitors revaluations for quality and accuracy and reviews assessing contracts and makes recommendations thereon to municipalities RSA 21-1:11. The division performs reviews of municipalities' assessing practices according to guidelines set by the New Hampshire Assessing Standards Board (ASB) RSA 21-1:11-a. They equalize the local assessed valuation of each municipality to bring such valuations to the full and true market value of the property RSA 21-1:3, XIII. The Municipal and Property Division appraises public utility and railroad property for the statewide public utility tax RSA 83-F as well as the railroad tax RSA 82. Municipalities may also utilize these values for their public utility property. They also administer the Gravel and Timber Taxes.

- ♦ **Abatements & Appeals**
View information about abatements and appeals.
- ♦ **Assessing Standards Board (ASB)**
View information pertaining to the Assessing Standards Board including the ASB Reference Manual, Assessment Review, Members, Meeting Schedule and Minutes, Statutes (RSAs), Rules and contact information.

Scroll Down

- ♦ **Revaluation & Monitoring**
Find Appraisal Companies and New Hampshire Department of Revenue Administration certified personnel, USPAP Compliance information, and examples of contracts for Full, Partial, and Cyclical Revaluations and Statistical Updates.
- ♦ **Telecommunications Poles and Conduits**

→ **Timber**

Find information about the timber tax law, Notice of Intent to Cut, Report of Cut, average stumpage values, comparative stumpage values, conversion formulas, statutes, and rules.

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Rick Evans, Timber Tax Appraiser, Municipal and Property Division

Property - Timber

To request a PA-8, Report of Wood Cut, please call (603) 230-5969 or e-mail request to timber@dra.nh.gov.

Chapter 79: Forest Conservation and Taxation

- ♦ [PA-7 Notice of Intent to Cut Wood or Timber \(fillable\)](#)
- ♦ [PA-7 Notice of Intent to Cut Wood or Timber \(print\)](#)

Timber intent numbering sheets **will not** be mailed for 2021. Please open and save the following documents. If you have any questions, please call (603) 230-5969 or e-mail question to timber@dra.nh.gov

- ♦ [New Intent to Cut Numbering Instructions](#)
- ♦ [New Intent Numbering Sheet](#)

PA-9 Certification of Yield Taxes Assessed

The PA-9 includes the calculation worksheet, certification, yield tax warrant and tax bill. Instructions are included on each tab within the worksheet(s).

- ♦ [Single Operation](#)
- ♦ [Multiple Operation\(s\) \(Up to 4\)](#)

Timber Tax Information

- ♦ [Timeline for Timber Tax Reporting](#)
- ♦ [Timber Tax Law Synopsis](#)
- ♦ [Guide to Determining Stumpage Values](#)
- ♦ [Timber Tax Assessment Worksheet](#)
- ♦ [Average Stumpage Values](#)
- ♦ [Comparative Stumpage Values List](#)
- ♦ [Conversion Formula](#)
- ♦ [Statutes \(RSAs\)](#)
- ♦ [Rules](#)
- ♦ [Timber Districts](#)

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Handouts

- RSA 79
- Forms – PA-7, PA-8, and PA-9
- Timber Tax Law Synopsis
- Guide to Determining Stumpage Value
- Timeline
- Formula for Conversion
- Timber Tax Worksheet
- Sample Letters for Municipalities
- Matrix Guidelines

Introduction

- State Constitution amended in 1942
- Part Second [Art.] 5. [Power to Make Laws, Elect Officers, Define Their Powers and Duties, Impose Fines and Assess Taxes; Prohibited from Authorizing Towns to Aid Certain Corporations.] “For the purpose of encouraging conservation of the forest resources of the state, the general court may provide for special assessments, rates and taxes on growing wood and timber.”
- In 1949, the timber tax law, RSA Chapter 79, entitled “Forest Conservation and Taxation” went into effect

- New Hampshire is not the only state to tax timber
 - This is a partial list of states have some form of severance tax (Timber is “released from the general property tax” RSA 79-2)
- Timber is assessed in the same manner as other real estate – market value - *at the time of cutting*
- The Notice of Intent to Cut is the official notice to the assessing officials that timber will be cut

STATE	SEVERANCE TAX AMOUNT
California	2.90%
Connecticut	2.0% - 10.0%
Idaho	3.0%
Illinois	4.0%
Louisiana	2.50% - 5.0%
Massachusetts	5.0%
Michigan	5.0%
Minnesota	2.0% - 10.0%
Missouri	6.0%
New Hampshire	10.0%
New Mexico	0.125%
New York	6.0%
North Carolina	6.0%
Washington	5.0%
West Virginia	3.22%
Wisconsin	5.0%

RSA 79:1 - Definitions

I. "Assessing Officials"

- Those charged by law with duty of assessing taxes (city, town or unincorporated place).

II. "Owner"

(1) "For purposes of joint tenants or joint tenants with rights of survivorship, every owner that holds title to the subject property."

(2) "For purposes of tenants-in-common, any one or more of the tenants-in-common that hold title to the subject property."

(3) "A previous owner who retains timber rights to land and registers his or her claim with the registry of deeds."

(4) "Any person who has purchased stumpage and cutting rights on public lands."

Important Owner Definition Changes

TENANTS-IN-COMMON

"For purposes of RSA 79:10, I(a), any one or more of tenants-in-common may sign an intent to cut. Provided, however, that non-signing tenants-in common shall have been notified by certified mail by the applicant of the intent to cut at least 30 days prior to cutting and that a bond or surety is filed to secure payment of the yield tax if any tenant-in-common does not sign or give a power of attorney to sign a notice of intent to cut." (Emphasis added).

RSA 79:1 – Definitions (Cont'd.)

II. (b) {exemptions}

- This section defines who does not have to file the intent and who is not subject to the tax. This will be discussed in detail.

III. "Stumpage Value"

- Market value of timber standing on the stump at time of cut.

IV. "Tax Year"

- April 1 through March 31

V. {repealed}

VI. "Short Rotation Tree Fiber Farming" and

VII. "Genetically-engineered Tree"

- Production of genetically-engineered tree species used for fiber that are harvested every 15 years are not subject to the Yield Tax. (RSA 79:2)

RSA 79:1 – Definitions (Cont'd.)

VIII. “Sugar Orchard”

- Source of sap for the production of maple syrup and products
- Actively used – substantial portion of trees tapped at least once every three years
- Stand – area or stand, containing 50% or more red and sugar maple, clearly established boundaries and defined area as certified by a licensed forester
- Individual trees outside of stand - tapped once within three years prior to the filing the intent
- Trees harvested from sugar orchards for the purpose of enhancing sap production are not subject to the Yield Tax RSA 79:2

Rev 3400 Definitions

Rev 3401.01 “Average stumpage value list” means the published range of stumpage values for the various species of wood or timber as derived from surveys conducted twice per year by the department.

Rev 3401.02 “Commissioner” means the commissioner of the New Hampshire department of revenue or the commissioner’s designee.

Rev 3401.03 “Cordwood and fuel wood” means wood that is cut into specified lengths, or tree length, to be used in woodstoves and wood furnaces for heating purposes or used in the production of maple syrup.

Rev 3401.04 “Department (DRA)” means the New Hampshire department of revenue administration.

Rev 3400 Definitions (Cont'd.)

Rev 3401.05 “Extension” means written notification to the municipal assessing officials by the owner, no later than March 31, that the cutting operation will extend beyond April 1.

Rev 3401.06 “High grade spruce/fir” means tree length spruce or fir that is sold to sawmills as sawlogs and does not include spruce or fir that is sold as pulpwood to pulpmills or pulp yards.

Rev 3401.07 “MBF” means the number of board feet of saw logs expressed in thousands or a fraction thereof.

Rev 3401.08 “Municipal assessing officials” means those charged by law with the duty of assessing taxes for a municipality where the property is located as:

- Governing body of a municipality;
- Board of assessors or selectmen of a municipality; or
- County commissioners of an unincorporated place.

Rev 3400 Definitions (Cont'd.)

Rev 3401.09 "Municipality" means a city, town, or unincorporated place.

Rev 3401.10 "Original" means the first filing by an owner in a tax year of Form PA-7, "Notice of Intent to Cut Wood or Timber", containing original signatures of the municipal assessing officials, in the municipality where the cutting of wood is to take place.

Rev 3401.11 "Owner" means owner as defined in RSA 79:1, II such as:

- (a) Any person or persons who own the land, including joint tenants or joint tenants with rights of survivorship, upon which wood or timber is cut;
- (b) Any person or persons who hold title to the land as tenants-in-common;

Rev 3400 Definitions (Cont'd.)

Rev 3401.11 "Owner" continued:

- (c) A previous owner who retains timber rights to land and who registers their claim with the registry of deeds;
- (d) Any person who has purchased stumpage and cutting rights on public lands; or
- (e) Any person clearing or maintaining rights-of-way that sells or agrees to sell the wood or timber.

Rev 3401.12 "Pallet, tie" means all sawlogs listed on mill scale slips as either pallet, tie, or box grades.

Rev 3401.13 "Public lands" means land owned by:

- (a) The federal government;
- (b) The state government;
- (c) Cities;
- (d) Towns;

Rev 3400 Definitions (Cont'd.)

Rev 3401.13 "Public lands" continued:

- (e) School districts; or
- (f) Other political subdivisions.

Rev 3401.14 "Pulpwood" means smaller, lower quality timber used with the principal purpose of making wood pulp for paper production or, for raw material for wood products such as, but not limited to oriented strand board.

Rev 3401.15 "Sawlog" means all grades of sawlogs listed on mill scale slips other than pallet, tie, or box grades.

Rev 3401.16 "Shade and ornamental trees" means trees that are within striking distance of a maintained permanent structure and that are solely maintained by the owner for shade or ornamental purposes.

Rev 3400 Definitions (Cont'd.)

Rev 3401.17 "Stumpage value" means the market value of uncut standing timber at the time that the timber is cut.

Rev 3401.18 "Supplemental" means a subsequent filing by an owner, in a tax year, of Form PA-7, "Notice of Intent to Cut Wood or Timber".

Rev 3401.19 "Tax year" means the time period beginning April 1 of any year and ending March 31 of the next year, inclusive.

Rev 3401.20 "Yield tax" means the 10% tax assessed upon the stumpage value of wood or timber cut during a tax year pursuant to RSA 79:3. The term includes "timber tax".

Rev 3401.21 "Whole tree chips" means wood that is processed through a woodchipper or grinder at the site of the logging operation that is used primarily as fuel for wood burning energy plants or other similar purposes.

Exemptions From Intent to Cut and Yield Tax

Timber on all land ownership is taxable at 10% of stumpage value at the time of cutting, except the following:

1. 10 MBF saw logs and 20 cords fuel wood (unlimited fuel wood for maple syrup production) for personal use by the owner. RSA 79:1 II.(b), (1) and (2).
2. 10 MBF saw logs and 20 cords (or the equivalent in whole tree chips) of wood for land conversion purposes when all permits for the conversion have been received. RSA 79:1 II.(b), (5).

Exemptions From Intent to Cut and Yield Tax (Cont'd.)

3. Government and School Districts that cut wood for their own use within their own jurisdiction. RSA 79:1, II. (b)(3).
4. Clearing or maintaining public right of ways or public water storage reservoirs where the wood is not sold. (Person clearing or caused clearing who sells the wood becomes the owner.) RSA 79:1, II. (b)(4).
5. Shade and ornamental trees. RSA 79:2.
6. Christmas trees, fruit trees, nursery stock and short rotation tree fiber. RSA 79:2.

Rev 3407 Exemptions From Yield Tax

Rev 3407.01 Exemptions. Owners shall be exempt from filing Form PA-7 and shall be exempt from the yield tax pursuant to the following:

This section of the rule explains, in detail, each RSA 79 exemption that was previously discussed.

Form PA-7 Intent To Cut Wood Owner Responsibility

Original Notice of Intent to Cut Wood or Timber (Form PA-7)
RSA 79:10, I, (a):

- Starting a cutting operation before the intent is signed is a violation
- Cutting is limited to original volume estimate

Supplemental Notice of Intent to Cut Wood or Timber RSA 79:10, I, (a):

- Volume exceeding original volume estimate by more than 25% the same tax year
- Failure to file supplemental intent is a violation

Rev 3402.01 Owner Requirements for Completing and Filing Form PA-7, Notice of Intent to Cut Wood or Timber

- Every owner must file unless exempt
- A separate Intent for each municipality
- Separate Intent requirements (ownership, not contiguous)
- No cutting until the Intent is signed by municipal officials
- Need supplemental if exceeding original estimate by 25%
- Need extension to cut after March 31st and finish by June 30
- Intent filed and property is sold procedure
- Active cut and logger is terminated Intent procedure
- Clearing/cutting on ROW needs one Intent in each town

Tax Responsibility RSA 79:1, II. (a)

Types of Ownership (Taxpayers):

- Landowners with timber rights on their own land
(Remember **new** definition: tenants-in-common)
- Persons with deeded timber rights on land they previously owned and has registered claim with registry of deeds
- Persons purchasing timber on public lands; Federal, state, county, town, etc., or utility easements

Rev 3402.02 Owner Requirements Signing Form PA-7, “Notice of Intent to Cut Wood or Timber”.

- Describes who has to sign for the type of ownership
- Describes the “tenants-in-common” ownership signing
- Describes the owner of timber rights signing
- Describes “owner” cutting on public lands signing

Form PA-7 Intent To Cut Wood Municipal Responsibilities

- 15 days to sign Intent to Cut or to notify owner ***in writing*** the reason Intent has not been signed RSA 79:10, I.(b)
- May decline to sign Intent for ***only*** the following reasons:
 - Form being improperly filled out RSA 79:10
 - Land is enrolled in the unproductive current use category that does not allow timber harvesting RSA 79-A:2, XIII and Cub 305.02 (b)
 - A timber tax bond is required but has not been posted RSA 79:1, II.(a)(2), RSA 79:3-a and RSA 79:10-a
 - All owners of record have not signed the Intent to Cut RSA 79:1, II. and RSA 79:10, I.(a)

Form PA-7 Intent To Cut Wood Municipal Responsibilities (Cont'd.)

- 15 days from receipt to notify owner of timber bond amount if applicable RSA 79:10-a
- Original signed intents are assigned an operation number by the municipality
- Once signed, the assessing officials must immediately forward a copy to the DRA, the owner upon request
- Forward copy to Tax Collector, within 30 days RSA 79:10, I(c)
- Supplementals follow same procedure, except, they **do not** receive a new operation number

Rev 3402.03 Municipal Assessing Officials Procedure for Approval of Form PA-7, "Notice of Intent to Cut Wood or Timber".

This section of the rule explains, in detail, the procedure for the approval of the PA-7 or for the denial of the PA-7.

Rev 3402.04 Municipal Assessing Officials Procedure for Distribution of Form PA-7, "Notice of Intent to Cut Wood or Timber".

This section of the rule details the distribution of the signed PA-7.

Timber Tax Bond RSA 79:10-a

- An Owner who owns land in the town where the timber cutting is to take place and is current on timber and property tax is not required to post a bond
- Owners who are tenants-in-common where all owners have signed the Intent to Cut are not required to post a bond
- All other owners must post a timber tax bond before the Intent to Cut is signed by the selectmen and an operation number is assigned
- Timber tax bonds are usually equal to the expected timber tax

Rev 3405.01 Bonding or Other Security.

This section of the rule further clarifies who needs to file a bond or other security and, also specifies that the amount of the bond or other security is based upon the anticipated yield tax due from the intended cut.

Form PA-7 Intent To Cut Wood

Jobsite Posting RSA 79:10, I.(d):

- Certificate (PA-6) issued by DRA posted at site
- Copy of Intent signed by assessing officials with operation number assigned
- Copy of Intent verified by municipal employee with operation number, date and time, and name of municipal official that provided information
- Note: Failure to post is a violation

Intent information is provided to the Forest Rangers at the Department of Natural and Cultural Resources (DNCR).

Rev 3404.01 Posting Required.

Describes in detail what needs to be posted on the property, by whom, and where and when it is posted.

- Conspicuous location in a waterproof covering

NOTICE OF INTENT TO CUT WOOD OR TIMBER
For Tax Year (April 1 to March 31)

PLEASE PRINT OR TYPE (If using a computer, use all caps for all text except names.)

1. Taxpayer's Name: _____

2. Taxpayer's Address: _____

3. Taxpayer's City/Town: _____

4. Name of Estate: _____

5. Name of Trust: _____

6. Name of Partnership: _____

7. Name of Other: _____

8. Name of Other: _____

9. Name of Other: _____

10. Name of Other: _____

11. Name of Other: _____

12. Name of Other: _____

13. Name of Other: _____

14. Name of Other: _____

15. Name of Other: _____

16. Name of Other: _____

17. Name of Other: _____

18. Name of Other: _____

19. Name of Other: _____

20. Name of Other: _____

21. Name of Other: _____

22. Name of Other: _____

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94. Name of Other: _____

95. Name of Other: _____

96. Name of Other: _____

97. Name of Other: _____

98. Name of Other: _____

99. Name of Other: _____

100. Name of Other: _____

Timber Intent Numbering Sheets are provided on the DRA-Timber website in Excel at [Timber | Property | NH Department of Revenue Administration](#) or by request to timber@dra.nh.gov.

These can be saved and updated with the Town Name and Year, annually.

TAX YEAR: 2022 TIMBER INTENTS							
TOWN: TOWN NAME							
YEAR	TOWN	DP #	MAP & LOT	OWNER'S NAME	LOGGER'S NAME	DATE INTENT SIGNED	DATE RECEIVED
22	001	01	T				
22	001	02	T				
22	001	03	T				
22	001	04	T				
22	001	05	T				
22	001	06	T				
22	001	07	T				
22	001	08	T				
22	001	09	T				
22	001	10	T				
22	001	11	T				
22	001	12	T				
22	001	13	T				
22	001	14	T				

Extension of Cut RSA 79:10, II. and RSA 79:11, II.

- An extension of a cutting operation is allowed upon written request by the owner to the assessing officials no later than March 31st of the tax year
- If no extension is requested, cutting must cease by March 31st and a new original Intent must be filed for the new tax year if cutting will continue
- An extension allows the existing cutting operation to continue through June 30th
- If the cutting will continue after June 30th, a new original Intent must be filed

Rev 3402.01

- (g) An owner of a cutting operation for which a Form PA-7 has been filed and signed by the municipal assessing officials shall not continue cutting after March 31 without filing an extension or without obtaining a newly signed original Form PA-7 for the new tax year.
- (h) Within a tax year, if the owner has sent the municipal assessing officials a written notice of extension dated no later than March 31, a cutting operation for which the Form PA-7 has been filed and signed by the municipal assessing officials may continue cutting until June 30 without obtaining a newly signed original Form PA-7 for the new tax year.

Form PA-8, Report of Wood Cut

RSA 79:11

The Report of Cut (Form PA-8) serves as the basis for determining the timber Yield Tax.

- Mailed or emailed to individual by DRA as indicated on Intent to Cut
- Must be filed with the municipality within 60 days of completion of cut, or by May 15th, whichever comes first (without an extension)
- With an extension, the report must be filed no later than August 15th
- Report required if no wood is cut
- Property ownership changes – report must be filed by the owner as indicated on the intent

Form PA-8 Report of Wood Cut

RSA 79:11 (Cont'd.)

- Reports must be signed by the owner and person responsible for the cut (logger/forester)
- Copies of the completed report are to be sent to the DRA
- The DRA will provide the forest rangers (DNCR) a copy
- Special Assessment (RSA 79:11-a) may be assessed when an owner has completed or terminated a cutting operation and collection of tax is in jeopardy

Rev 3403.03 DRA Distribution Procedure for Form PA-8, "Report of Wood or Timber Cut".

This section details the process upon receipt of the PA-7 Intent to Cut Wood or Timber, the DRA, at no expense to the owner or the logger, sends a PA-8 to the person specified.

Rev 3403.01 Owner Requirements for Filing Form PA-8, "Report of Wood or Timber Cut".

This section details the report filing requirements:

- When the operation ceases
- When the property sells
- The termination of the logger or person responsible for the cut
- Extensions
- Located in more than one municipality
- No wood cut

Rev 3403.02 Owner Requirements for Completing Form PA-8, "Report of Wood or Timber Cut".

This section details the requirements for completing the various sections of the PA-8 including cutting completion dates, acres cut, names of sawmills, species and volume of wood cut, who needs to sign, etc. It follows the existing form.

Normal Yield Tax RSA 79:3

- 10% of the stumpage value at the time of cutting
- Assessed by the municipal assessing officials within 30 days after receipt of the report of timber or wood cut

Rev 3406.01 Assessment of Yield Tax.

- Based upon 10% of stumpage value
- Assessed within 30 days of receipt of the PA-8
- Factors to consider in determining the amount of tax
- Doomage

Assessing Timber Value RSA 79:1, III.

Determining Factors of Value

- Quality, location and size of sale as determined by assessing officials:
 - Quality: height, diameter, defect
 - Location: access to public roads, physical geography
 - Size: economy of scale
 - Other factors which may affect value.
- Points to Consider:
 - Most probable price that would be paid
 - Highest and best use

TIMBER TAX ASSESSMENT WORKSHEET

TIMBER TAX ASSESSMENT WORKSHEET

Town: _____ Owner: _____

Open # _____ Tax Year: _____

Acreage of cut: _____ Map/Lot #: _____

	POOR	AVERAGE	GOOD
Quality of Timber (Height, Diameter, Defect)	0	1	2
Location of Timber (Access Restrictions, Physical geography)	0	1	2
Size of Sale (Acreage of lot, Volume per acre)	0	1	2
	Total Rating		

Rating	Percentage Within Range
0	0%
1	17%
2	33%
3	50%
4	66%
5	83%
6	100%

Rick Evans, Timber Tax Appraiser, Municipal and Property Division

Calculating Timber Rating from PA-8 Report of Wood or Timber Cut						Instructions	
	Species	MBF	CORDS	Conversion Factor	TONS		
Step 1	White Pine	446,845		4.4	1,968.118	1. Using PA-8 Report of Timber Cut, enter the amount of Species MBF, convert to TONS and total amount. The total amount equals <u>high grade</u> sawlogs.	
	Box Pine/Pine Pallet			4.4	0.000		
	Hemlock			4.8	0.000		
	Red Pine			4.2	0.000		
	Spruce	141,480		4.2	594.216		
	All Other Hard Wood	87,840		5.2	390.768		
	High Grade Spruce/Fir/ (Tons) from Miscellaneous Section on PA-8 Form						
Total:					2,861.102	High Grade/Tons	
Step 2	Pulpwood (already reported in Tons on PA-8 Form)				TONS	2. Using PA-8 Report of Timber Cut, enter the amount of Pulpwood in TONS and total amount. The total amount equals <u>low grade</u> sawlogs.	
	Spruce & Fir				1,730.19		
	Pulpwood & Aspen						
	Pine						
	Hemlock						
	Biomass Chips				5,513.99		
	Total:						
Step 3	Miscellaneous	MBF	CORDS	Conversion Factor	TONS	3. Using PA-8 Report of Timber Cut, enter amount of firewood and convert to TONS. The total amount equals <u>low grade</u> sawlogs.	
	Cardwood & Fuelwood (CORDS)		120	2.5	312		
	Total:						
Step 4	Low Grade/Tons		High Grade/Tons		Total/Tons		Timber Quality Chart Greater than 6 Poor Between 3 & 6 Average Between .001 & 2.9 Good
	7,556.18		2,861.102		2.64		
4. Enter the total <u>low grade</u> saw logs from Step 1, and total <u>low grade</u> sawlogs from Steps 2 & 3. Divide the total amount of the <u>low grade</u> sawlogs by the total amount of <u>high grade</u> sawlogs. Take the 2 and determine the quality of timber using the Timber Quality Chart and enter the quality rating in the Timber Rating Worksheet as poor, average or good using a zero, one or two.							

Rick Evans, Timber Tax Appraiser, Municipal and Property Division

Step 5 Enter the total <u>high grade</u> saw logs from Step 1, and total <u>low grade</u> sawlogs from Steps 2 & 3 and add them together (total tons). Using the Size of Scale Chart, determine the size of scale and enter the rating in the Timber Rating Worksheet as poor, average or good using a zero, one or two.		
	Low Grade: 7,556.18 High Grade: 2,861.102 Total Tons: 10,417.282	
Step 6 Using the Overall Total Rating from the Timber Rating Worksheet , determine the Percentage Within Range . This percentage amount is to be used on the PA-9 Worksheet for Tax Warrant.		

Timber Rating Worksheet			
	Poor = 0	Average = 1	Good = 2
Quality of Timber (Height, Diameter, Defect)	0		2
Location of Timber (Access Restrictions, Topsoil)	0	1	
Size of Scale	0		2
Total Tons/Acre			
Total:	0	1	4
Overall Total Rating:	5		

Overall Total Rating	Percentage Within Range
0	0%
1	17%
2	33%
3	50%
4	66%
5	83%
6	100%

LOCATION: Discussion

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Certification of Yield Taxes Assessed RSA 79:19

- The assessing officials shall certify to the DRA the Yield (timber) Tax assessed (Form PA-9)
- The PA-9 is filled out and calculated manually by the municipality
- The DRA has a Microsoft Excel spreadsheet called "Timber Tax Bill Worksheet" which is intended to assist the municipality in the calculation and certification of the Yield Taxes. The worksheet and instructions are available on the DRA website.

Rev 3406.02 Form PA-9, Certification of Yield Taxes Assessed.

This section details the dates that the assessing officials certify to the DRA the Yield Taxes assessed.

CERTIFICATION OF YIELD TAXES ASSESSED									
INTENT FILED DURING TAX YEAR: April 1, 2021 to March 31, 2022									
TOWN / CITY OF:				Selectman/Assessor		Date			
COUNTY OF:				Selectman/Assessor		Date			
DATE OF BILLING:				Selectman/Assessor		Date			
SEND SIGNED COPY TO:		NIDEPARTMENT OF REVENUE ADMINISTRATION MUNICIPAL AND PROPERTY DIVISION PO BOX 487 CONCORD, NH 03301-0487 or E-mail to timber@dnr.nh.gov		Selectman/Assessor		Date			
Selectman/Assessor				Date					
#1	#4	#5	#6	#7	#8	#9	#10		
NAME OF OWNER	SPECIES	NUMBER OF BOARD FEET (In Thousands)	NUMBER OF TONS	NUMBER OF CORDS	STUMPAGE VALUE	TOTAL ASSESSED VALUE	TAX AT 10 %		
	WHITE PINE							Subtotal of TAXES Due (Cal #9)	
	RED LOCK								
	RED PINE								
	SPRUCE & FIR								
	HARD MAPLE								
	WHITE BIRCH								
	YELLOW BIRCH								
	OTHER:								
#2	DE SIGNATED ON NOTICE OF INTENT TO CUT								
	MAP & LOT NUMBER							Less bond or amount previously paid, if applicable	
	ASH								
	SOFT MAPLE								
	BEECH/PALLETTE LOGS								
	PINE BOX, PALLET								
	OTHER:								
	OTHER:								
#3	OPERATION NUMBER				TONS	CORDS		Total Assessed Due	
	SPRUCE & FIR				\$ -				
	HARDWOOD & ASPEN				\$ -				
	PINE				\$ -				
	RED LOCK				\$ -				
	BIRCH/ASPS CHIPS				\$ -				
	ROUGH OR ASH SPRUCE				\$ -				
	CORWOOD				\$ -				

Yield Tax Billing and Collection RSA 79:3 and RSA 79:6

- Yield Tax shall be assessed within 30 days of receipt of report of wood cut at 10% of timber value
- Interest on Yield Tax is 18% after due date
- Cutting of timber creates a lien on the land and continues 18 months following receipt of the Report of Cut

Yield Tax Appeal Process, RSA 79:8

1. Appeal in writing to the municipality within 90 days of tax bill.
2. If municipality denies appeal, taxpayer may then appeal to the Board of Tax and Land Appeals (BTLA) or Superior Court within 6 months of tax bill for a hearing.
3. Burden of proof is on the owner.

Forms and Information

DRA

- Notice of Intent to Cut (PA-7) – Online at DRA website (also available at municipal offices)
- Report of Wood or Timber Cut (PA-8) – Not online.
- Timber Tax Certificate (PA-6) – Not online.
- Certification of Yield Tax Assessed (PA-9)

DRA or Online: www.revenue.nh.gov

- Guide to Determining Stumpage Value
- Average Stumpage Value Price Lists
- Timber Tax Time Line for Reporting
- NH Timber Tax Law Fact Sheet (Synopsis)

Additional Resources

- NH Municipal Association
- UNH Cooperative Extension
- NH Division of Forests and Lands (DNCR)
- NH Timber Owners Association

DRA Will hold a training class for municipalities upon request.

Questions?

Call (603) 230-5950
(603) 419-0216

Rick Evans, Timber Tax Appraiser
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