

HOUSE BILL No. 4969

September 14, 2011, Introduced by Rep. Foster and referred to the Committee on Natural Resources, Tourism, and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 51102, 51103, 51108, and 51115 (MCL 324.51102,
324.51103, 324.51108, and 324.51115), sections 51102 and 51115 as
added by 1995 PA 57, section 51103 as amended by 2006 PA 383, and
section 51108 as amended by 2008 PA 299, and by adding part 514.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 51102. The department shall establish and maintain
2 commercial forests and may promulgate and enforce rules as
3 necessary to accomplish the intent and purpose of this part. ~~All~~
4 ~~expenses incurred and staff employed to implement this part shall~~
5 ~~be with the approval of the state administrative board.~~

6 Sec. 51103. (1) The owner of at least **160 ACRES, COMPOSED OF**
7 **PARCELS OF NOT LESS THAN** 40 contiguous acres or ~~a survey unit~~ **UNITS**

1 consisting of 1/4 of 1/4 of a section of forestland located within
2 this state may apply to the department to have that forestland
3 determined to be a commercial forest under this part. **HOWEVER, THE**
4 **OWNER OF AT LEAST 40 CONTIGUOUS ACRES OR A SURVEY UNIT CONSISTING**
5 **OF 1/4 OF 1/4 OF A SECTION OF FORESTLAND LOCATED WITHIN THIS STATE**
6 **THAT WAS COMMERCIAL FORESTLAND UNDER THIS PART ON THE EFFECTIVE**
7 **DATE OF THE 2011 AMENDMENTS TO THIS SECTION MAY REMAIN AS**
8 **COMMERCIAL FORESTLAND AS LONG AS THE LAND IS OTHERWISE IN**
9 **COMPLIANCE WITH THIS PART.** For purposes of this subsection,

10 "contiguous" means land that touches at any point. Even if portions
11 of commercial forestland are contiguous only at a point, the
12 privilege of hunting and fishing **AS PROVIDED IN SECTION 51113** shall
13 not be denied for any portion of the land. ~~as provided in section~~
14 ~~51113.~~ The existence of a public or private road, a railroad, or a
15 utility right-of-way that separates any part of the land does not
16 make the land noncontiguous.

17 (2) To be eligible for determination as a commercial forest,
18 forestland shall be capable of all of the following:

19 (a) Producing not less than 20 cubic feet per acre per year of
20 forest growth upon maturity.

21 (b) Producing tree species that have economic or commercial
22 value.

23 (c) Producing a commercial stand of timber within a reasonable
24 period of time.

25 (3) An application for classification as commercial forest
26 shall be submitted on a form prescribed by the department. The
27 application shall be postmarked or delivered not later than April 1

1 to be eligible for approval as commercial forest for the following
2 tax year. In addition to any information that the department may
3 reasonably require by rule, the applicant shall provide all of the
4 following to the department:

5 (a) A nonrefundable application fee in the amount of \$1.00 per
6 acre or fraction of an acre, but not less than \$200.00 and not more
7 than \$1,000.00. The department shall remit the application fee to
8 the state treasurer for deposit into the fund.

9 (b) A legal description and the amount of acreage considered
10 for determination as a commercial forest.

11 (c) A statement certifying that a forest management plan
12 covering the forestland has been prepared and is in effect.

13 (d) A statement certifying that the owner of the forestland
14 owns the timber rights to the timber standing on the forestland.

15 (4) The department shall prepare and distribute to any person
16 desiring to apply for classification of forestland as commercial
17 forest under this part a brochure that lists and explains, in
18 simple, nontechnical terms, all of the following:

19 (a) The application, hearing, determination, declassification,
20 and prosecution process.

21 (b) The requirements of the forest management plan.

22 (5) Not later than 3 months after the effective date of the
23 ~~2006-2011~~ amendatory act that amended this section, the department
24 shall notify each county and township and all owners of forestland
25 that is classified as commercial forest under this part, **WHO ARE ON**
26 **RECORD WITH THE DEPARTMENT**, of the amendments to this part that
27 were enacted in ~~2006-2011~~.

~~1 (6) If an applicant is unable to secure the services of a
2 registered forester or a natural resources professional to prepare
3 a forest management plan, the department upon request shall prepare
4 the forest management plan on behalf of the owner of the forestland
5 and charge the owner a forest management plan fee not to exceed the
6 actual cost of preparing the forest management plan.~~

7 (6) ~~(7)~~ After an owner certifies to the department that a
8 forest management plan has been prepared and is in effect, a
9 violation of that forest management plan is a violation of this
10 part.

11 (7) **FOREST MANAGEMENT PLANS THAT HAVE BEEN SUBMITTED TO THE**
12 **DEPARTMENT ARE EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF**
13 **INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.**

14 Sec. 51108. (1) An owner of a commercial forest may withdraw
15 his or her land, in whole or in part, from the operation of this
16 part upon application to the department and payment of the
17 withdrawal application fee and penalty, as provided in this
18 section.

19 (2) Except as otherwise provided by this section, upon
20 application to the department to withdraw commercial forestland
21 from the operation of this part, the applicant shall forward to the
22 department a withdrawal application fee in the amount of \$1.00 per
23 acre with a minimum withdrawal application fee of \$200.00 per
24 application and a maximum withdrawal application fee of \$1,000.00
25 per application.

26 (3) Except as otherwise provided in this section, an
27 application to withdraw commercial forestland from the operation of

1 this part shall be granted upon the payment to the township
2 treasurer in which the commercial forestland is located of a
3 penalty. ~~For applications to withdraw commercial forestland filed~~
4 ~~on or after September 27, 2007 in which the withdrawal penalty has~~
5 ~~not been paid before the effective date of the amendatory act that~~
6 ~~added subdivision (d), the~~ **THE** withdrawal penalty shall be
7 calculated in the following manner:

8 (a) Multiply the number of acres of commercial forestland
9 withdrawn from the operation of this part by 1 of the following:

10 (i) For 2007, 1/2 of the valuation per acre for the county in
11 which the forestland is located.

12 (ii) Beginning in 2008, and for each subsequent year, the
13 number described in subparagraph (i) adjusted annually by the
14 inflation rate for each year after 2007.

15 (b) Multiply the product of the calculation in subdivision (a)
16 by the average millage rate levied by all townships, excluding
17 villages, in the county in which the property is located.

18 (c) Multiply the product of the calculation in subdivision (b)
19 by the number of years, to a maximum of 7 years, in which the
20 property withdrawn from the operation of this part has been
21 designated as commercial forestland under this part.

22 (d) Multiply the product of the calculation in subdivision (c)
23 by the following:

24 (i) 0.2, if the commercial forestland is located in Luce
25 county.

26 (ii) 0.3, if the commercial forestland is located in Grand
27 Traverse, Manistee, Ottawa, or Wexford county.

(iii) 0.4, if the commercial forestland is located in Charlevoix, Chippewa, Emmet, Gladwin, Leelanau, Midland, Oscoda, or Tuscola county.

(iv) 0.5, if the commercial forestland is located in Cheboygan, Delta, Mackinac, Oceana, Otsego, or Schoolcraft county.

(v) 0.6, if the commercial forestland is located in Alcona, Alger, Allegan, Alpena, Arenac, Barry, Bay, Benzie, Berrien, Branch, Calhoun, Cass, Clare, Clinton, Crawford, Dickinson, Eaton, Genesee, Gogebic, Gratiot, Hillsdale, Houghton, Huron, Ingham, Ionia, Iosco, Iron, Isabella, Jackson, Kalamazoo, Kalkaska, Kent, Lapeer, Lenawee, Livingston, Macomb, Marquette, Mecosta, Monroe, Montcalm, Montmorency, Muskegon, Newaygo, Oakland, Ogemaw, Osceola, Presque Isle, Roscommon, Saginaw, St. Clair, St. Joseph, Sanilac, Shiawassee, Van Buren, Washtenaw, or Wayne county.

(vi) 0.7, if the commercial forestland is located in Antrim, Baraga, Mason, or Menominee county.

(vii) 0.8, if the commercial forestland is located in Keweenaw, Lake, Missaukee, or Ontonagon county.

(4) The department shall publish all of the following on its website:

(a) The calculation described in subsection (3)(a)(i) for each county.

(b) The adjusted value and the inflation rate described in subsection (3)(a)(ii) for each county.

(c) The average millage rate described in subsection (3)(b) for each county.

(5) UNTIL 1 YEAR AFTER THE EFFECTIVE DATE OF THE 2011

1 AMENDATORY ACT THAT AMENDED THIS SECTION, THE OWNER OF COMMERCIAL
2 FORESTLAND IS NOT SUBJECT TO A WITHDRAWAL PENALTY IF ALL OF THE
3 FOLLOWING OCCUR:

4 (A) THE OWNER OF COMMERCIAL FORESTLAND WITHDRAWS HIS OR HER
5 LAND FROM THE OPERATION OF THIS PART AS PROVIDED IN THIS SECTION.

6 (B) THE FORMER COMMERCIAL FORESTLAND IS PLACED ON THE
7 ASSESSMENT ROLL IN THE LOCAL TAX COLLECTING UNIT IN WHICH THE
8 FORMER COMMERCIAL FORESTLAND IS LOCATED.

9 (C) THE OWNER OF THE FORMER COMMERCIAL FORESTLAND CLAIMS AND
10 IS GRANTED AN EXEMPTION FOR THAT LAND FROM THE TAX LEVIED BY A
11 LOCAL SCHOOL DISTRICT FOR SCHOOL OPERATING PURPOSES UNDER SECTION
12 7JJ OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.7JJ[1].
13 THE OWNER SHALL SUBMIT TO THE DEPARTMENT A COPY OF THE RECORDED
14 RECEIPT OF TAX EXEMPTION ON A FORM PROVIDED BY THE DEPARTMENT BY
15 DECEMBER 31 OF THE YEAR IN WHICH THE LAND IS WITHDRAWN FROM THIS
16 PART.

17 (6) IF A TRANSFER OF TITLE CAUSES COMMERCIAL FORESTLAND TO NO
18 LONGER MEET THE MINIMUM ACREAGE REQUIREMENTS OF THIS PART, THE
19 COMMERCIAL FORESTLAND SHALL BE WITHDRAWN FROM THIS PART. HOWEVER,
20 THE OWNER OF COMMERCIAL FORESTLAND IS NOT SUBJECT TO A WITHDRAWAL
21 PENALTY IF THE OWNER COMPLIES WITH ALL OF THE CONDITIONS DESCRIBED
22 IN SUBSECTION (5) (A) TO (C).

23 (7) ~~(5)~~—An application to withdraw commercial forestland from
24 the operation of this part that meets 1 or more of the following
25 requirements shall be granted without payment of the withdrawal
26 application fee or penalty under this section:

27 (a) Commercial forestland that has been donated to a public

body for public use prior to withdrawal.

(b) Commercial forestland that has been exchanged for property belonging to a public body if the property received is designated as a commercial forest as determined by the department.

(c) Commercial forestland that has been condemned for public use.

(8) AN APPLICATION TO WITHDRAW COMMERCIAL FORESTLAND FROM THE OPERATION OF THIS PART THAT MEETS ALL OF THE FOLLOWING REQUIREMENTS SHALL BE GRANTED WITHOUT PAYMENT OF THE WITHDRAWAL PENALTY UNDER THIS SECTION:

(A) EVIDENCE IS SUBMITTED TO THE DEPARTMENT THAT THE LAND MEETS THE LEGAL REQUIREMENTS TO BE EXEMPT FROM AD VALOREM PROPERTY TAX IN THE TAX YEAR IN WHICH THE APPLICATION IS SUBMITTED AND APPROVED.

(B) THE APPLICATION TO WITHDRAW IS SUBMITTED TO THE DEPARTMENT BY THE SAME LANDOWNER THAT SUBMITTED THE APPLICATION TO DESIGNATE THE LAND COMMERCIAL FORESTLAND.

(C) REIMBURSEMENT IS MADE BY THE LANDOWNER TO THE STATE TREASURER FOR THE PAYMENTS MADE BY THE STATE TREASURER TO THE COUNTY TREASURER, AS PROVIDED IN SECTION 51106(1), FOR EACH TAX YEAR THE LAND WAS COMMERCIAL FORESTLAND.

(9) ~~(6)~~—The department shall remit the withdrawal application fee paid pursuant to subsection (2) to the state treasurer for deposit into the fund. The penalty received by the township treasurer under subsection (3) shall be distributed by the township treasurer in the same proportions to the various funds as the ad valorem general property tax is allocated in the township, except

1 as provided by section 51109(2).

2 (10) ~~(7)~~—If an application to withdraw commercial forestland
3 is granted, the department shall immediately notify the applicant,
4 the supervisor of the township, and the register of deeds of the
5 county in which the lands are located of the action and shall file
6 with those officials a list of the lands withdrawn.

7 (11) ~~(8)~~—As used in this section:

8 (a) "Inflation rate" means the lesser of 1.05 or the inflation
9 rate as defined in section 34d of the general property tax act,
10 1893 PA 206, MCL 211.34d.

11 (b) "Valuation" means the market value as determined by the
12 state tax commission.

13 Sec. 51115. (1) The transfer of title of forestland subject to
14 this part ~~shall~~**DOES** not affect that forestland's status as a
15 commercial forest if the forestland continues to meet all of the
16 eligibility requirements under this part. If the purchaser desires
17 to withdraw his or her forestland from this part, the purchaser
18 shall withdraw that forestland pursuant to section 51108. If the
19 forestland's eligibility to be a commercial forest is affected by
20 the transfer of title, the department shall determine which
21 forestlands may remain under this part and which forestlands must
22 be withdrawn or declassified.

23 (2) **IF THE FORESTLAND'S ELIGIBILITY IS AFFECTED BY THE**
24 **TRANSFER OF TITLE BECAUSE THE FORESTLAND DOES NOT MEET THE MINIMUM**
25 **ACREAGE REQUIRED BY THIS PART AND THE OWNER OF THE FORESTLAND DOES**
26 **NOT MEET THE REQUIREMENTS OF SECTION 51108(6), THEN THE FORESTLAND**
27 **SHALL BE WITHDRAWN PURSUANT TO SECTION 51108(3).**

(3) ~~(2)~~—A document that transfers any interest in commercial forestlands shall state on the face of the document that "this property is subject to part 511, the commercial forest part of the natural resources and environmental protection act". Failure to comply with this subsection does not affect the status of the land as commercial forestland.

(4) ~~(3)~~—Not later than 30 days after the **COUNTY EQUALIZATION OFFICE RECEIVES NOTICE OF A** transfer of title or the transfer of any interest in **A** land contract concerning the commercial forestland, the ~~owner~~—**COUNTY EQUALIZATION OFFICE** shall notify the department in writing of the transfer or ownership change.

PART 514 QUALIFIED FOREST PROPERTIES

SEC. 51401. AS USED IN THIS PART:

(A) "COMMERCIAL HARVEST" MEANS A HARVEST CONDUCTED BY A COMMERCIAL LOGGER, WITH A MINIMUM OF 5 CORDS OF WOOD PER ACRE.

(B) "CONVERTED BY A CHANGE IN USE" MEANS THAT TERM AS DEFINED IN THE QUALIFIED FOREST PROPERTY RECAPTURE ACT.

(C) "DEPARTMENT" MEANS THE DEPARTMENT OF NATURAL RESOURCES.

(D) "ENERGY CROP" MEANS SHORT ROTATION WOODY CROPS SUCH AS HYBRID POPLAR AND WILLOW, WHICH MAY BE ELIGIBLE FOR DESIGNATION AS QUALIFIED FOREST PROPERTY IF THEY ARE ESTABLISHED ON NONSTOCKED FORESTLAND WITH LESS THAN 10% FOREST COVER OR PREVIOUSLY CLEARED LAND, AND THE WOODY CROPS ARE PLANTED AT 4,000 TO 6,000 STEMS OR CUTTINGS PER ACRE.

(E) "FOREST MANAGEMENT PLAN" MEANS THE PLAN DESCRIBED IN SECTION 51414 FOR SUSTAINABLE FOREST MANAGEMENT.

(F) "FOREST PRODUCTS" INCLUDES, BUT IS NOT LIMITED TO, TIMBER,

1 PULPWOOD-RELATED PRODUCTS, AND ENERGY CROPS.

2 (G) "FUND" MEANS THE QUALIFIED FOREST FUND CREATED IN SECTION
3 51418.

4 (H) "GENERAL PROPERTY TAX ACT" MEANS THE GENERAL PROPERTY TAX
5 ACT, 1893 PA 206, MCL 211.1 TO 211.155.

6 (I) "HARVEST RECORDS" MEANS A REPORT OF TIMBER PRODUCTS
7 HARVEST THAT IS COMPLETED AT TIME OF HARVEST AND SUBMITTED TO THE
8 DEPARTMENT AND INCLUDES, BUT IS NOT LIMITED TO, VOLUME OF TIMBER
9 HARVESTED.

10 (J) "OWNER" MEANS ALL LEGAL OWNERS OF THE QUALIFIED FOREST
11 PROPERTY.

12 (K) "PRODUCTIVE FOREST" MEANS REAL PROPERTY CAPABLE OF GROWING
13 NOT LESS THAN 20 CUBIC FEET OF WOOD PER ACRE PER YEAR. HOWEVER, IF
14 PROPERTY HAS BEEN CONSIDERED PRODUCTIVE FOREST, AN ACT OF GOD THAT
15 NEGATIVELY AFFECTS THAT PROPERTY SHALL NOT RESULT IN THAT PROPERTY
16 NOT BEING CONSIDERED PRODUCTIVE FOREST.

17 (L) "QUALIFIED FOREST PROPERTY" MEANS A PARCEL OF REAL PROPERTY
18 THAT MEETS ALL OF THE CONDITIONS AS DESCRIBED IN SECTION 51416.

19 (M) "QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT" MEANS THE
20 QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT, 2006 PA 379, MCL
21 211.1031 TO 211.1036.

22 (N) "QUALIFIED FORESTER" MEANS A REGISTERED FORESTER, A
23 FORESTER CERTIFIED BY THE SOCIETY OF AMERICAN FORESTERS, A FOREST
24 STEWARDSHIP PLAN WRITER, OR OTHER FORESTER QUALIFIED BY THE STATE
25 FORESTER AND POSTED ON THE DEPARTMENT'S INTERNET WEBSITE.

26 (O) "TAX EXEMPTION" MEANS A TAX EXEMPTION FOR QUALIFIED FOREST
27 PROPERTY AS PROVIDED FOR IN THIS PART AND THE GENERAL PROPERTY TAX

1 ACT.

2 SEC. 51402. AN OWNER OF PRODUCTIVE FOREST THAT MEETS THE
3 QUALIFICATIONS UNDER THIS PART AND SUBMITS THE INFORMATION REQUIRED
4 UNDER SECTION 51403 MAY APPLY TO HAVE HIS OR HER PROPERTY
5 DESIGNATED AS A QUALIFIED FOREST PROPERTY AND RECEIVE AN EXEMPTION
6 FROM PROPERTY TAXES AS ALLOWED UNDER THE GENERAL PROPERTY TAX ACT.

7 SEC. 51403. (1) AN OWNER OF PRODUCTIVE FOREST PROPERTY THAT
8 WISHES TO HAVE THE PROPERTY DESIGNATED AS QUALIFIED FOREST PROPERTY
9 SHALL SUBMIT AN APPLICATION TO THE DEPARTMENT AND THE LOCAL TAX
10 COLLECTING UNIT ON A FORM PROVIDED BY THE DEPARTMENT. THE SUBMITTAL
11 TO THE DEPARTMENT SHALL BE ACCOMPANIED BY A PROGRAM FEE OF \$200.00.
12 PROGRAM FEES COLLECTED UNDER THIS SECTION SHALL BE FORWARDED TO THE
13 STATE TREASURER FOR DEPOSIT INTO THE FUND. THE APPLICATION SHALL
14 CONTAIN ALL OF THE FOLLOWING:

15 (A) A SIGNED STATEMENT FROM A QUALIFIED FORESTER WHO PREPARED
16 A FOREST MANAGEMENT PLAN FOR THE FOREST PROPERTY, ON A FORM CREATED
17 BY THE DEPARTMENT, INDICATING THAT THE PLAN MEETS THE REQUIREMENTS
18 OF THIS PART, THAT THE PROPERTY MEETS THE REQUIREMENTS OF THIS
19 PART, AND THAT ANY BUILDING ON THE PROPERTY MEETS THE REQUIREMENT
20 OF SECTION 51417.

21 (B) A SIGNED STATEMENT FROM THE OWNER OF THE PROPERTY WHO IS
22 APPLYING FOR THE TAX EXEMPTION INDICATING THAT HE OR SHE
23 UNDERSTANDS THE REQUIREMENTS OF THIS PART, AGREES TO MEET THE
24 REQUIREMENTS OF THIS PART, AGREES TO FOLLOW HIS OR HER FOREST
25 MANAGEMENT PLAN, AND IS THE OWNER OF THE PROPERTY.

26 (C) THE LEGAL DESCRIPTION AND PARCEL IDENTIFICATION NUMBER OF
27 THE PROPERTY OR OF THE PARCEL ON WHICH THE PROPERTY IS LOCATED.

1 (D) IF THERE IS A BUILDING ON THE PROPERTY, A MAP THAT SHOWS
2 THE LOCATION AND SIZE OF THE BUILDING AND A LISTING OF THE
3 AMENITIES DESCRIBED IN SECTION 51417.

4 (E) THE TOTAL AMOUNT OF ACREAGE BEING APPLIED FOR A TAX
5 EXEMPTION.

6 (2) THE LOCAL TAX COLLECTING UNIT SHALL APPLY THE TAX
7 EXEMPTION TO THE PROPERTY IF THE APPLICATION CONTAINS THE
8 INFORMATION REQUIRED IN SUBSECTION (1). THE LOCAL TAX COLLECTING
9 UNIT IS NOT REQUIRED TO APPLY A TAX EXEMPTION IF THE OWNER OF THE
10 PROPERTY IS DIFFERENT FROM THE APPLICANT WHO SUBMITTED THE
11 APPLICATION OR THE PARCEL NUMBER OR DESCRIPTION DOES NOT MATCH THE
12 PARCEL NUMBER OR DESCRIPTION ON THE LOCAL TAX COLLECTING UNIT'S
13 RECORDS.

14 (3) WHEN THE OWNER HAS RECEIVED THE TAX EXEMPTION FROM THE
15 LOCAL TAX COLLECTING UNIT, THE OWNER SHALL FILE A RECEIPT OF THE
16 TAX EXEMPTION WITH THE APPROPRIATE REGISTER OF DEEDS ON A FORM
17 PROVIDED BY THE DEPARTMENT AND SEND A COPY OF THE RECORDED FORM TO
18 THE LOCAL TAX COLLECTING UNIT AND TO THE DEPARTMENT.

19 SEC. 51404. FOR THE LENGTH OF THE TAX EXEMPTION, THE OWNER
20 SHALL RETAIN THE CURRENT MANAGEMENT PLAN, THE SIGNED STATEMENT FROM
21 THE QUALIFIED FORESTER UNDER SECTION 51403(1)(A), AUDITS OF THE
22 FOREST MANAGEMENT PLAN, HARVEST RECORDS, RECORDED COPY OF RECEIPT
23 OF THE TAX EXEMPTION, AND A MAP THAT SHOWS THE LOCATION AND SIZE OF
24 ANY BUILDINGS AND A LISTING OF THE AMENITIES AS DESCRIBED IN
25 SECTION 51417. THE OWNER SHALL MAKE THE DOCUMENTS AVAILABLE TO THE
26 DEPARTMENT AND TO THE LOCAL TAX COLLECTING UNIT UPON REQUEST.

27 SEC. 51405. (1) IN ORDER TO CONTINUE TO RECEIVE A TAX

1 EXEMPTION, THE OWNER SHALL SUBMIT TO THE DEPARTMENT AND THE LOCAL
2 TAX COLLECTING UNIT A REASSESSMENT APPLICATION 10 YEARS AFTER THE
3 DATE OF ENROLLMENT. THE SUBMITTAL TO THE DEPARTMENT SHALL BE
4 ACCOMPANIED BY A PROGRAM FEE OF \$200.00. PROGRAM FEES COLLECTED
5 UNDER THIS SECTION SHALL BE FORWARDED TO THE STATE TREASURER FOR
6 DEPOSIT INTO THE FUND. THE APPLICATION SHALL BE ON A FORM PROVIDED
7 BY THE DEPARTMENT AND SHALL CONTAIN A SIGNED STATEMENT FROM A
8 QUALIFIED FORESTER THAT AN AUDIT HAS BEEN CONDUCTED OF THE FOREST
9 MANAGEMENT PLAN AND THAT THE PROPERTY IS BEING MANAGED ACCORDING TO
10 THE PLAN, THAT THE PLAN IS CURRENT, THAT THE PROPERTY CONTINUES TO
11 MEET THE REQUIREMENTS OF THIS PART, THAT ANY BUILDING ON THE
12 PROPERTY MEETS THE REQUIREMENT OF SECTION 51417, AND THAT HARVEST
13 REPORTS HAVE BEEN SUBMITTED AS APPROPRIATE.

14 (2) IF AN OWNER FAILS TO SUBMIT A REASSESSMENT APPLICATION 10
15 YEARS AFTER THE DATE OF ENROLLMENT, THE LOCAL TAX COLLECTING UNIT
16 SHALL NOTIFY THE OWNER, IN WRITING, THAT THE OWNER MUST SUBMIT A
17 REASSESSMENT APPLICATION WITHIN 60 DAYS OF THE DATE OF THE NOTICE
18 OR THE TAX EXEMPTION WILL EXPIRE. IF THE LOCAL TAX COLLECTING UNIT
19 DOES NOT RECEIVE A REASSESSMENT APPLICATION WITHIN THIS 60-DAY
20 PERIOD, THE LOCAL TAX COLLECTING UNIT SHALL REMOVE THE PROPERTY TAX
21 EXEMPTION FROM THE PROPERTY ACCORDING TO THE REQUIREMENTS OF THE
22 QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT AND SHALL NOTIFY THE
23 STATE TREASURER THAT THE OWNER IS LIABLE FOR THE RECAPTURE TAX
24 UNDER THE QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT.

25 SEC. 51406. THE OWNER SHALL HAVE AN AUDIT OF THE
26 IMPLEMENTATION OF HIS OR HER FOREST MANAGEMENT PLAN EVERY 10 YEARS
27 AFTER THE DATE OF ENROLLMENT TO DETERMINE IF MANAGEMENT ACTIVITIES

1 ARE BEING CONDUCTED ACCORDING TO THE PLAN AND THAT THE PLAN AND THE
2 PROPERTY STILL MEET THE REQUIREMENTS OF THIS PART. THE AUDIT SHALL
3 BE CONDUCTED BY A QUALIFIED FORESTER.

4 SEC. 51407. (1) WITHIN 45 DAYS OF THE AUDIT UNDER SECTION
5 51406, THE QUALIFIED FORESTER SHALL REPORT ON A FORM PROVIDED BY
6 THE DEPARTMENT TO THE LOCAL TAXING UNIT, THE DEPARTMENT, AND THE
7 DEPARTMENT OF TREASURY IF THE AUDIT REVEALS ANY OF THE FOLLOWING:

8 (A) THE PROPERTY IS NOT BEING MANAGED ACCORDING TO THE FOREST
9 MANAGEMENT PLAN INCLUDING HARVESTING AND THINNING AS DIRECTED BY
10 THE PLAN.

11 (B) THE FOREST MANAGEMENT PLAN WAS NOT PRODUCED AS REQUIRED BY
12 THIS PART IN ORDER TO RECEIVE A TAX EXEMPTION.

13 (C) THE FOREST MANAGEMENT PLAN IS NOT CURRENT AS REQUIRED BY
14 THIS PART.

15 (D) AN AUDIT WAS NOT CONDUCTED IN THE TIME FRAMES REQUIRED BY
16 THIS PART.

17 (E) A BUILDING EXISTS ON THE PROPERTY IN VIOLATION OF
18 ELIGIBILITY REQUIREMENTS UNDER THIS PART.

19 (F) ALL OR A PORTION OF THE PROPERTY HAS BEEN CONVERTED BY A
20 CHANGE IN USE SO THAT IT DOES NOT MEET THE REQUIREMENTS OF THIS
21 PART.

22 (G) A HARVEST OCCURRED WITHOUT A HARVEST RECORD BEING
23 SUBMITTED TO THE DEPARTMENT.

24 (H) A COPY OF THE RECEIPT OF TAX EXEMPTION WAS NOT FILED WITH
25 THE REGISTER OF DEEDS OR A RECORDED COPY WAS NOT PROVIDED TO THE
26 LOCAL TAX COLLECTING UNIT AND THE DEPARTMENT.

27 (2) THE QUALIFIED FORESTER SHALL PROVIDE THE OWNER 30 DAYS TO

1 PROVIDE DOCUMENTATION OF ACTIONS TAKEN TO RESOLVE ANY ISSUES OF
2 NONCOMPLIANCE BEFORE REPORTING ANY VIOLATIONS AS REQUIRED IN
3 SUBSECTION (1).

4 (3) IF A VIOLATION UNDER THIS SECTION IS REPORTED TO THE LOCAL
5 TAX COLLECTING UNIT, THE LOCAL TAX COLLECTING UNIT SHALL RESCIND
6 THE TAX EXEMPTION ON THE PROPERTY AND NOTIFY THE DEPARTMENT OF
7 TREASURY AND THE DEPARTMENT.

8 (4) THE DEPARTMENT OF TREASURY SHALL LEVY THE RECAPTURE TAX
9 AND PENALTY, IF APPLICABLE, ON THE PROPERTY OWNER AS DESCRIBED IN
10 THE QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT AND THE GENERAL
11 PROPERTY TAX ACT.

12 SEC. 51408. (1) THE DEPARTMENT MAY AT ANY TIME CONDUCT AN
13 AUDIT OF ANY PROPERTY RECEIVING A TAX EXEMPTION AND SHALL BE
14 PROVIDED ACCESS TO THE PROPERTY FOR THIS PURPOSE BY THE OWNER UPON
15 REQUEST. THE DEPARTMENT SHALL NOTIFY THE OWNER AT LEAST 45 DAYS
16 PRIOR TO CONDUCTING THE AUDIT. THE OWNER SHALL SUBMIT THE REQUIRED
17 DOCUMENTS WITHIN 30 DAYS OF RECEIPT OF THE REQUEST OF THE
18 DEPARTMENT. A COPY OF THE COMPLETED AUDIT SHALL BE RETURNED TO THE
19 OWNER WHO SHALL RETAIN THE AUDIT IN HIS OR HER RECORDS.

20 (2) WITHIN 45 DAYS OF THE AUDIT, THE DEPARTMENT SHALL REPORT
21 TO THE LOCAL TAX COLLECTING UNIT, THE DEPARTMENT, AND THE
22 DEPARTMENT OF TREASURY IF THE AUDIT REVEALS ANY OF THE VIOLATIONS
23 DESCRIBED IN SECTION 51407(1).

24 (3) THE DEPARTMENT SHALL PROVIDE THE OWNER 30 DAYS TO PROVIDE
25 DOCUMENTATION OF ACTIONS TAKEN TO RESOLVE ANY ISSUES OF
26 NONCOMPLIANCE BEFORE REPORTING ANY VIOLATIONS AS REQUIRED IN
27 SUBSECTION (2).

1 (4) IF A VIOLATION AS DESCRIBED IN SECTION 51407(1) IS
2 REPORTED TO THE TAXING UNIT, THE TAXING UNIT SHALL RESCIND THE TAX
3 EXEMPTION ON THE PROPERTY AND NOTIFY THE DEPARTMENT OF TREASURY AND
4 THE DEPARTMENT.

5 (5) IF THE TAX EXEMPTION IS RESCINDED UNDER SUBSECTION (4),
6 THE DEPARTMENT OF TREASURY SHALL LEVY THE RECAPTURE TAX AND
7 PENALTY, IF APPLICABLE, ON THE PROPERTY OWNER AS DESCRIBED IN THE
8 QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT AND THE GENERAL
9 PROPERTY TAX ACT.

10 (6) IN PERFORMING AUDITS OF PROPERTIES, THE DEPARTMENT SHALL
11 TAKE INTO CONSIDERATION WHETHER THE PROPERTY HAS BEEN THIRD-PARTY
12 CERTIFIED OR IS ENROLLED IN THE TREE FARM PROGRAM PURSUANT TO AFF
13 2010-2015 STANDARDS OF SUSTAINABILITY FOR FOREST CERTIFICATION
14 THROUGH THE AMERICAN TREE FARM SYSTEM.

15 SEC. 51409. IF A BUILDING IS PLACED ON THE PROPERTY AFTER A
16 TAX EXEMPTION IS PROVIDED, THE OWNER SHALL IMMEDIATELY NOTIFY THE
17 LOCAL TAX COLLECTING UNIT ON A FORM PROVIDED BY THE LOCAL TAX
18 COLLECTING UNIT AND CREATED BY THE DEPARTMENT. INCLUDED IN THE
19 NOTIFICATION SHALL BE A COPY OF A MAP THAT SHOWS THE LOCATION AND
20 SIZE OF THE BUILDING AND A LISTING OF THE AMENITIES AS DESCRIBED IN
21 SECTION 51417. THE LOCAL TAX COLLECTING UNIT SHALL DETERMINE IF THE
22 BUILDING IS ALLOWED UNDER SECTION 51417 AND SHALL MAKE THE
23 NECESSARY CHANGES TO THE ASSESSMENT OF THE PROPERTY, WHICH CHANGES
24 SHALL BE EFFECTIVE FOR THE IMMEDIATELY SUCCEEDING TAX YEAR.

25 SEC. 51410. (1) IF ALL OR A PORTION OF THE PROPERTY IS
26 CONVERTED BY A CHANGE IN USE, THE OWNER SHALL IMMEDIATELY NOTIFY
27 THE LOCAL TAX COLLECTING UNIT, THE DEPARTMENT, AND THE DEPARTMENT

1 OF TREASURY ON A FORM CREATED BY THE DEPARTMENT.

2 (2) UPON RECEIPT OF NOTICE UNDER SUBSECTION (1), THE LOCAL TAX
3 COLLECTING UNIT SHALL IMMEDIATELY RESCIND THE TAX EXEMPTION FOR THE
4 PROPERTY AND SHALL PLACE THE PROPERTY ON THE TAX ROLL FOR THE
5 IMMEDIATELY SUCCEEDING TAX YEAR.

6 (3) UPON RECEIPT OF NOTICE UNDER SUBSECTION (1), THE
7 DEPARTMENT OF TREASURY SHALL IMMEDIATELY BEGIN COLLECTION OF THE
8 RECAPTURE TAX AND PENALTY, IF APPLICABLE, AS PROVIDED FOR IN THE
9 QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT AND THE GENERAL
10 PROPERTY TAX ACT.

11 SEC. 51411. THE OWNER SHALL REPORT ANY HARVEST CONDUCTED ON
12 THE PROPERTY TO THE DEPARTMENT AND TO THE LOCAL TAX COLLECTING UNIT
13 ON A FORM PROVIDED BY THE DEPARTMENT. THE HARVEST REPORT SHALL
14 INCLUDE, BUT IS NOT LIMITED TO, THE VOLUME OF TIMBER HARVESTED FROM
15 THE PROPERTY, THE NAME AND CONTACT INFORMATION OF THE PERSON
16 CONDUCTING THE HARVEST, THE NUMBER OF ACRES ON WHICH THE HARVEST
17 OCCURRED, AND THE DATE OF THE HARVEST. THE REPORT SHALL BE
18 SUBMITTED TO THE DEPARTMENT WITHIN 30 DAYS AFTER THE HARVEST WAS
19 COMPLETED. THE OWNER SHALL RETAIN ALL HARVEST RECORDS.

20 SEC. 51412. (1) AN OWNER MAY CLAIM A TAX EXEMPTION FROM
21 PROPERTY TAXES FOR NOT MORE THAN 640 ACRES OF QUALIFIED FOREST
22 PROPERTY IN EACH LOCAL TAX COLLECTING UNIT.

23 (2) THE LOCAL TAX COLLECTING UNIT SHALL EXEMPT QUALIFIED
24 FOREST PROPERTY FROM THE COLLECTION OF THE TAX AS PROVIDED IN THE
25 GENERAL PROPERTY TAX ACT UNTIL THE PROPERTY IS NO LONGER QUALIFIED
26 FOREST PROPERTY.

27 SEC. 51413. THE DEPARTMENT SHALL POST ON ITS INTERNET WEBSITE

1 EACH CALENDAR YEAR THE ANNUAL VOLUME OF TIMBER HARVESTED ON
2 QUALIFIED FOREST PROPERTIES. THE REPORT SHALL BE BASED UPON THE
3 HARVEST REPORTS RECEIVED FROM OWNERS.

4 SEC. 51414. (1) THE OWNER SHALL HAVE A CURRENT FOREST
5 MANAGEMENT PLAN PREPARED BY A QUALIFIED FORESTER. A FOREST
6 MANAGEMENT PLAN SHALL INCLUDE ALL OF THE FOLLOWING ON A FORM
7 PROVIDED BY THE DEPARTMENT:

8 (A) THE NAME, ADDRESS, AND DATED SIGNATURE OF EACH OWNER OF
9 THE PROPERTY.

10 (B) THE EXPIRATION DATE OF THE PLAN.

11 (C) THE LEGAL DESCRIPTION AND PARCEL IDENTIFICATION NUMBER OF
12 THE PROPERTY OR OF THE PARCEL ON WHICH THE PROPERTY IS LOCATED.

13 (D) A STATEMENT OF THE OWNER'S FOREST MANAGEMENT OBJECTIVES,
14 WHICH MUST INCLUDE COMMERCIAL TIMBER PRODUCTION.

15 (E) A MAP, DIAGRAM, OR AERIAL PHOTOGRAPH THAT IDENTIFIES BOTH
16 FORESTED AND UNFORESTED AREAS OF THE PROPERTY, USING CONVENTIONAL
17 MAP SYMBOLS INDICATING THE SPECIES, SIZE, AND DENSITY OF VEGETATION
18 AND OTHER MAJOR FEATURES OF THE PROPERTY.

19 (F) A NARRATIVE DESCRIPTION OF EACH MANAGEMENT UNIT THAT
20 INCLUDES ALL OF THE FOLLOWING:

21 (i) ACREAGE, COVER TYPE, STAND DENSITY, MEASURED BY BASAL AREA
22 OR TREES PER ACRE, AND AGE OF MAIN STAND.

23 (ii) A MEASURE OF THE SITE QUALITY AND PRODUCTIVITY THAT SHOWS
24 THAT THE STAND IS CAPABLE OF GROWING 20 CUBIC FEET PER ACRE PER
25 YEAR, SUCH AS SITE INDEX OR VOLUME GROWTH PER ACRE PER YEAR.

26 (iii) A DESCRIPTION OF THE SILVICULTURAL PRACTICES SUCH AS
27 SHELTERWOOD, SEED TREE, OR SELECTION EMPLOYED TO ACHIEVE THE UNIT

1 OBJECTIVE AND PROMOTE SUCCESSFUL REGENERATION.

2 (G) A DESCRIPTION OF THE FORESTRY PRACTICES, INCLUDING
3 HARVESTING, THINNING, AND REFORESTATION, THAT WILL BE UNDERTAKEN,
4 SPECIFYING THE APPROXIMATE PERIOD OF TIME BEFORE EACH IS COMPLETED.

5 (H) A DESCRIPTION OF ACTIVITIES THAT MAY BE UNDERTAKEN FOR THE
6 MANAGEMENT OF FOREST RESOURCES OTHER THAN TREES, INCLUDING WILDLIFE
7 HABITAT, WATERSHEDS, AND AESTHETIC FEATURES.

8 (I) A SUMMARY TABLE OR SPREADSHEET OF ALL STANDS LISTING THEIR
9 PRESCRIBED PRACTICES, APPROXIMATE TREATMENT SCHEDULE, AND DATES OF
10 ACCOMPLISHMENT.

11 (J) A DESCRIPTION OF SOIL CONSERVATION PRACTICES THAT MAY BE
12 NECESSARY TO CONTROL ANY SOIL EROSION THAT MAY RESULT FROM THE
13 PRACTICES DESCRIBED PURSUANT TO SUBDIVISIONS (G), (H), AND (I).

14 (K) A HARVEST SCHEDULE THAT INCLUDES A COMMERCIAL HARVEST
15 WITHIN 30 YEARS OF RECEIPT OF THE TAX EXEMPTION. HOWEVER, FOR AN
16 OWNER TRANSFERRING COMMERCIAL FORESTLAND UNDER PART 511 TO
17 QUALIFIED FOREST PROPERTY UNDER THIS PART, IF A QUALIFIED FORESTER
18 DETERMINES THAT MORE THAN 30 YEARS IS NEEDED FOR A VIABLE
19 COMMERCIAL HARVEST, THE HARVEST SCHEDULE MAY EXTEND BEYOND 30
20 YEARS, BUT SHALL INCLUDE A COMMERCIAL HARVEST WITHIN 40 YEARS OF
21 RECEIPT OF THE TAX EXEMPTION.

22 (L) ANY OTHER RELEVANT INFORMATION REQUIRED BY THE DEPARTMENT.

23 (2) A FOREST MANAGEMENT PLAN SHALL INCLUDE A STATEMENT SIGNED
24 BY A QUALIFIED FORESTER AND NOTARIZED BY A NOTARY PUBLIC THAT THE
25 PLAN WAS PREPARED BY THE QUALIFIED FORESTER.

26 (3) ONCE A COMMERCIAL HARVEST HAS OCCURRED, THE FOREST
27 MANAGEMENT PLAN FOR QUALIFIED FOREST PROPERTY SHALL BE UPDATED TO

1 MANAGE THE PROPERTY FOR COMMERCIAL TIMBER HARVESTS COMMENSURATE
2 WITH THE FOREST COVER ON THE PROPERTY.

3 (4) IF QUALIFIED FOREST PROPERTY IS NEGATIVELY IMPACTED BY
4 WEATHER, DISEASE, OR OTHER ACT OF GOD, A REVISED FOREST MANAGEMENT
5 PLAN SHALL BE WRITTEN IN ACCORDANCE WITH THIS PART.

6 SEC. 51415. IN ORDER FOR AN OWNER TO RECEIVE A TAX EXEMPTION,
7 THE OWNER SHALL AGREE TO ALL OF THE FOLLOWING:

8 (A) CONDUCTING OF FOREST MANAGEMENT PRACTICES AS PRESCRIBED BY
9 THE FOREST MANAGEMENT PLAN ACCORDING TO THE TIME FRAMES CONTAINED
10 IN THE PLAN.

11 (B) SUBJECT TO SECTION 51414(1)(K), CONDUCTING OF A FOREST
12 THINNING OR HARVEST AS PRESCRIBED BY THE FOREST MANAGEMENT PLAN
13 WITHIN 30 YEARS AFTER THE RECEIPT OF THE TAX EXEMPTION. SUBSEQUENT
14 FOREST MANAGEMENT PLANS SHALL PROVIDE FOR COMMERCIAL HARVESTS
15 COMMENSURATE WITH THE FOREST COVER ON THE PROPERTY.

16 (C) AN AUDIT BY A QUALIFIED FORESTER EVERY 10 YEARS AS
17 PROVIDED FOR IN SECTION 51406.

18 (D) ALLOWING THE DEPARTMENT TO ENTER HIS OR HER PROPERTY TO
19 CONDUCT AN AUDIT AS PROVIDED FOR IN SECTION 51408.

20 (E) SUBMITTING AND RETAINING NECESSARY FOREST MANAGEMENT
21 PLANS, REPORTS, AUDITS, AND SIGNED STATEMENTS AS DESCRIBED IN
22 SECTION 51404.

23 SEC. 51416. (1) IN ORDER FOR A PROPERTY TO BE CONSIDERED FOR A
24 TAX EXEMPTION, THE PROPERTY SHALL MEET ALL OF THE FOLLOWING
25 REQUIREMENTS:

26 (A) EXCEPT AS PROVIDED IN SUBDIVISION (D), IS NOT LESS THAN 10
27 CONTIGUOUS ACRES IN SIZE, OF WHICH NOT LESS THAN 80% IS PRODUCTIVE

1 FOREST CAPABLE OF PRODUCING FOREST PRODUCTS. CONTIGUITY IS NOT
2 BROKEN BY A ROAD, A RIGHT-OF-WAY, OR PROPERTY PURCHASED OR TAKEN
3 UNDER CONDEMNATION PROCEEDINGS BY A PUBLIC UTILITY FOR POWER
4 TRANSMISSION LINES IF THE 2 PARCELS SEPARATED BY SALE OR
5 CONDEMNATION WERE A SINGLE PARCEL PRIOR TO THE SALE OR
6 CONDEMNATION.

7 (B) HAS NO BUILDINGS LOCATED ON THE REAL PROPERTY EXCEPT AS
8 PROVIDED IN SECTION 51417.

9 (C) IS SUBJECT TO A FOREST MANAGEMENT PLAN AS DESCRIBED IN
10 SECTION 51414.

11 (D) IF THE PROPERTY HAS A BUILDING AS PROVIDED IN SECTION
12 51417, THE PROPERTY SHALL BE NOT LESS THAN 20 ACRES IN SIZE.

13 (2) FOR A PARCEL RECEIVING AN EXEMPTION AS QUALIFIED
14 AGRICULTURAL PROPERTY UNDER THE GENERAL PROPERTY TAX ACT AND A TAX
15 EXEMPTION UNDER THIS PART, THE QUALIFIED FOREST PORTION OF THE
16 PARCEL SHALL BE NOT LESS THAN 10 CONTIGUOUS ACRES OF WHICH NOT LESS
17 THAN 80% IS PRODUCTIVE FOREST CAPABLE OF PRODUCING FOREST PRODUCTS.

18 SEC. 51417. (1) EXCEPT AS PROVIDED IN THIS SECTION, A BUILDING
19 DEVELOPED FOR HUMAN RESIDENCE IS NOT ALLOWED ON QUALIFIED FOREST
20 PROPERTY. ANY BUILDING CONTAINING 5 OR MORE OF THE FOLLOWING
21 CHARACTERISTICS IS CONSIDERED DEVELOPED FOR HUMAN RESIDENCE AND THE
22 PARCEL OF PROPERTY ON WHICH THE BUILDING IS SITUATED, INCLUDING THE
23 SEPTIC SYSTEM, IS NOT ELIGIBLE FOR A TAX EXEMPTION:

24 (A) THE BUILDING IS 800 SQUARE FEET OR MORE IN TOTAL AREA
25 USING EXTERIOR DIMENSIONS OF LIVING SPACE INCLUDING EACH LEVEL, BUT
26 EXCLUDING PORCHES, DECKS, OR UNINSULATED SCREEN PORCHES.

27 (B) THE BUILDING CONTAINS INDOOR PLUMBING INCLUDING WATER AND

1 SEWER PIPED TO EITHER A MUNICIPAL OR SEPTIC SYSTEM.

2 (C) THE BUILDING HAS A FULL OR PARTIAL BASEMENT.

3 (D) THE BUILDING HAS ELECTRICAL SERVICE BY CONNECTION TO THE
4 LINES OF A POWER COMPANY.

5 (E) THE BUILDING HAS CENTRAL HEATING OR COOLING, INCLUDING
6 ELECTRIC, WOOD, BIOFUELS, OR GAS FURNACE OR OTHER HEATER WITH A
7 CIRCULATION SYSTEM.

8 (F) THE BUILDING IS INSULATED USING PRODUCTS DESIGNED FOR THAT
9 PURPOSE.

10 (G) THE BUILDING HAS TELEPHONE SERVICE LINKED TO A LANDLINE.

11 (H) THE BUILDING IS ATTACHED TO OR HAS A SEPARATE GARAGE, NOT
12 INCLUDING BUILDINGS FOR VEHICLES USED PRIMARILY FOR WORK OR
13 RECREATION ON THE PROPERTY.

14 (2) ANY BUILDING CONTAINING FEWER THAN 5 CHARACTERISTICS
15 LISTED IN SUBSECTION (1) IS ELIGIBLE TO BE INCLUDED ON THE
16 PROPERTY. HOWEVER, THE BUILDING AND 1 ACRE OF PROPERTY SHALL NOT
17 RECEIVE THE TAX EXEMPTION.

18 SEC. 51418. (1) THE QUALIFIED FOREST FUND IS CREATED WITHIN
19 THE STATE TREASURY.

20 (2) THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS FROM
21 ANY SOURCE FOR DEPOSIT INTO THE FUND. THE STATE TREASURER SHALL
22 DIRECT THE INVESTMENT OF THE FUND. THE STATE TREASURER SHALL CREDIT
23 TO THE FUND INTEREST AND EARNINGS FROM FUND INVESTMENTS.

24 (3) MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR SHALL
25 REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.

26 (4) THE DEPARTMENT SHALL BE THE ADMINISTRATOR OF THE FUND FOR
27 AUDITING PURPOSES.

1 (5) THE DEPARTMENT SHALL EXPEND MONEY FROM THE FUND, UPON
2 APPROPRIATION, ONLY TO ADMINISTER THIS PART INCLUDING TO SUPPORT
3 DATA MANAGEMENT AND FOREST PROPERTY AUDITS UNDER THIS PART.

4 SEC. 51419. (1) AN OWNER OF PROPERTY RECEIVING A TAX EXEMPTION
5 UNDER THE GENERAL PROPERTY TAX ACT ON THE EFFECTIVE DATE OF THIS
6 PART SHALL BE REQUIRED TO MEET THE HARVESTING REQUIREMENTS OF THIS
7 PART WITHIN 30 YEARS FROM THE EFFECTIVE DATE OF THIS PART AND,
8 WITHIN 60 DAYS AFTER THE EFFECTIVE DATE OF THIS PART, SHALL PROVIDE
9 TO THE DEPARTMENT AND THE LOCAL TAXING UNIT A SIGNED STATEMENT FROM
10 A QUALIFIED FORESTER AS DESCRIBED IN SECTION 51403(1) (A) .

11 (2) IF AN OWNER OF PROPERTY RECEIVING A TAX EXEMPTION AS
12 QUALIFIED FOREST PROPERTY UNDER THE GENERAL PROPERTY TAX ACT ON THE
13 EFFECTIVE DATE OF THIS PART DOES NOT WISH TO CONDUCT A COMMERCIAL
14 HARVEST, OR THE PROPERTY IS NOT CAPABLE OF PRODUCTION OF A
15 COMMERCIAL HARVEST AS REQUIRED BY THIS SECTION, OR IF THE
16 REQUIREMENTS OF THIS PART CAUSE MATERIAL BURDEN TO THE LANDOWNER,
17 THE LANDOWNER MAY PETITION TO REMOVE THE TAX EXEMPTION FROM THE
18 PROPERTY WITHIN 60 DAYS AFTER THE EFFECTIVE DATE OF THIS PART. THE
19 PETITION SHALL BE ON A FORM CREATED BY THE DEPARTMENT AND SHALL BE
20 SENT TO THE DEPARTMENT AND THE LOCAL TAX COLLECTING UNIT. UPON
21 RECEIPT OF THAT PETITION, THE LOCAL TAX COLLECTING UNIT SHALL
22 RESCIND THE TAX EXEMPTION AND PLACE THE PROPERTY ON THE TAX ROLL.
23 THE PROPERTY OWNER SHALL NOT BE CHARGED THE RECAPTURE TAX AND
24 PENALTY AS DESCRIBED IN THE QUALIFIED FOREST PROPERTY RECAPTURE TAX
25 ACT AND THE GENERAL PROPERTY TAX ACT.

26 SEC. 51420. (1) A PERSON WHO VIOLATES THIS PART IS GUILTY OF A
27 MISDEMEANOR AND SUBJECT TO A FINE OF UP TO \$1,000.00 PER DAY.

1 (2) A PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT,
2 REPRESENTATION, OR ATTESTATION IN APPLYING FOR A TAX EXEMPTION
3 UNDER THIS PART IS GUILTY OF A MISDEMEANOR PUNISHABLE BY A FINE OF
4 NOT MORE THAN \$1,000.00 PER DAY FOR EACH DAY OF VIOLATION.

5 SEC. 51421. A COURT MAY ALLOW THE DEPARTMENT TO RECOVER
6 REASONABLE COSTS AND ATTORNEY FEES INCURRED IN A PROSECUTION
7 RESULTING IN A CONVICTION FOR A VIOLATION OF THIS PART.

8 Enacting section 1. This amendatory act does not take effect
9 unless Senate Bill No. ____ or House Bill No. 4970 (request no.
10 02751'11 a) of the 96th Legislature is enacted into law.