

**Chapter NR 46**

**FOREST CROPLAND TAXATION**

- NR 46.01 Definitions
- NR 46.02 Standards to be used in applying sections 77.01-77.14, Wis. Stats.
- NR 46.03 Woodland tax law
- NR 46.04 Forms

**NR 46.01 Definitions.** (1) "Grazing" means the feeding on grass, herbage or other growing plants by domestic animals. Animals used during timber harvest operations are exempt.

(2) "Burning" means the presence of fire on forest land, except when used as a prescribed tool in the practice of sound forestry.

(3) "Practice forestry", "sound forestry practices" and "sound forestry" mean those timber cutting, transporting and forest cultural methods recommended or approved by the department of natural resources for most effective propagation and improvement of the various timber types common to Wisconsin.

(4) "Forest land" means land capable of producing wood products, having a minimum width of 120 feet, not developed for uses inimical to the practice of forestry and at least 10% stocked with forest trees of any of the following size classes:

Stand Size Classes	Tree Diameter Ranges at 4.5 Feet from Ground Level	Density
Seedlings	0"-1"	200 trees per acre
Saplings	1"-5"	100 trees per acre
Pole-Timber	5"-9"*,11"***	3 cords per acre
Sawtimber	9"+*,11"+**	1,300 board feet per acre

\*For Conifer Species  
\*\*For Other Species

(5) "Commercial forest land" means forest land capable of producing wood products within 100 years and not withdrawn from timber production.

(6) "Non-commercial forest land" means forest land not capable of producing wood products within 100 years.

(7) "Non-forest" means farmland (including grazing pastures), water, marsh, muskeg, bog, rock outcrops, sand dunes, recreational land, industrial land, residential land and rights-of-way.

(8) "Non-productive area" means non-forest, non-stocked forest land and non-commercial forest land.

(9) "Tree scale" means the measurement of merchantable volume of standing trees.

(10) "Qualified forester" means a forester having a bachelor or higher degree from a school of forestry.

(11) "Quarter-quarter section" means a regular one-sixteenth part of a section, the boundaries of which are determined by a correctly

executed subdivision of the section involved, as determined by U. S. government survey plat.

(12) "Fractional lot" means a portion of a section in a township formed by the excess or deficiency of land in said township, as shown by U. S. government survey plat.

(13) "Government lot" means an irregular portion of a section formed by a meandered body of water, impassable object, a state or reservation or grant boundary or for other similar reasons as shown by U. S. government survey plat.

(14) "Public roads and railroad rights-of-way" means public roads or railroad rights-of-way active or abandoned, in public or railroad ownership.

(15) "Domicile" means the place of residence of an individual or family.

(16) "Wood products" means those items listed on the current forest crop law stumpage values for severance tax.

(17) "Hunting" means shooting, shooting at, pursuing, taking, catching or killing of any wild animal or animals other than trapping. "Fishing" means taking, capturing, killing or fishing for fish of any variety in any manner. Landowners may prohibit activities other than public hunting and fishing on lands under the forest crop law.

(18) "Department" means the state of Wisconsin department of natural resources.

(19) "Renewal" means a continuation under the law according to all the provisions of the law in effect at the time of continuation of the contract except that existing entered lands containing less than an entire quarter section, fractional lot or government lot as determined by U.S. government survey plat, excluding public roads and railroad right-of-ways that may have been sold are eligible for continuation.

(20) "Stumpage" means the quantity of merchantable timber by product and species as listed in section NR 46.02 (8).

(21) "Merchantable timber" means standing trees by species and product which are because of size and quality, saleable within a reasonable time period from the subject lands.

**History:** Cr. Register, May 1973, No. 209, eff. 6-1-73; cr. (18) to (21), Register, August, 1977, No. 260, eff. 9-1-77.

**NR 46.02 Standards to be used in applying sections 77.01-77.14, Wis. Stats.** (1) Standard units of measurement shall be:

(a) Sawslogs-board feet, Scribner Decimal C log rule.

(b) Cords—piled cord, 4' x 4' x 96"—100" or 4' x 8' x 4'. Cord products of other dimensions shall be converted to standard cords.

(c) Piece products—per piece, post, pole or Christmas tree.

(d) Weight—converted to cord equivalent by species.

(2) In determining whether an applicant is holding the land permanently for the growing of timber and other forest crops the department may consider:

(a) The statements of the applicant on the entry petition.

(b) Evidence which indicates the owner's primary intent to practice forestry.

(3) The following conditions will be considered upon application for entry or renewal to determine if all or portions of the lands are more useful for purposes other than the practice of forestry.

(a) Location within incorporated limits of cities or within registered plats.

(b) The presence of buildings or other structures which are inimical to the practice of sound forestry. The existence of landscaping or ornamental plants, or the alteration of vegetation, adjacent to or near the buildings or structures shall be prima facie evidence that the buildings or structures are inimical to the practice of sound forestry. The use of buildings or structures as a domicile is deemed inimical to the practice of sound forestry.

(c) Adjacency to or in the near vicinity of developments (i.e., industrial, recreational, residential, agricultural or commercial) for which the lands being applied for are also suitable.

(d) The presence of surface disturbance in the form of current commercial metallic or non-metallic mining or landfill operations.

(e) Zoning laws and ordinances.

(f) Other conditions may also be considered.

(4) The following conditions will be cause for cancellation:

(a) The presence of buildings or other structures which are inimical to the practice of sound forestry. The existence of landscaping or ornamental plants, or the alteration of vegetation, adjacent to or near the buildings or structures shall be prima facie evidence that the buildings or structures are inimical to the practice of sound forestry. The use of buildings or structures as a domicile is deemed inimical to the practice of sound forestry.

(b) The presence of surface disturbance in the form of current commercial metallic or non-metallic mining or landfill operations.

(5) Lands remaining after a transfer, cancellation, withdrawal or being considered for renewal must meet the requirements for entry.

(6) Non-productive areas shall not exceed 20% of the total contiguous proposed entry or renewal, except where the applicant demonstrates to the department's satisfaction that significant forestry benefits will result from entry or renewal.

(7) (a) Wood products reported on cutting reports received by the department on or before October 1, for wood products cut prior to September 1, will be assessed on the basis of the stumpage value schedule in effect at the time of cutting.

(b) Wood products reported on cutting reports received by the department after October 1, or cut on or after September 1, will be assessed on the basis of the current stumpage value schedule.

(c) Peeled cordwood volume will be converted to volume of rough products by adding 12½% for hand-peeled or 25% for machine-peeled wood.

(d) A reduction of 30% of the stumpage value for severance tax, as listed under subsection (8) will be made for those species salvaged as a result of catastrophic occurrences. Catastrophic losses are defined as severe losses caused by fire mortality, ice, snow, insects, disease and flooding. In order to be eligible for this reduction, the catastrophic loss must directly involve 20 acres or more and must result in a reduction of 30% or more in stumpage value to the owner as certified by the landowner on forms provided and verified by department appraisal.

(e) Cordwood products sold as sawbolts by the landowner or sorted and sawed as sawbolts by the landowner will be reported as sawbolts under subsection (8).

(f) Cordwood products measured by weight will be converted to and reported as rough cord products.

1. The following table of weights will be used for conversion to cords:

Species	Weight per Cord	
	Green	Seasoned
White pine	4,700	4,200
Red pine	4,700	4,400
Jack pine	4,700	4,300
Spruce	4,500	4,300
Balsam fir	5,000	4,200
Tamarack	5,200	4,400
Hemlock	5,200	4,300
Aspen	4,600	4,000
White birch	5,200	4,800
Oak, all species	5,600	5,000
Mixed hardwoods	5,300	4,900

2. Seasoned wood is that which is dried 2 or more months during the period April 1 to October 31 before weighing.

(8) STUMPAGE VALUES FOR SEVERANCE TAX. Forest crop law severance schedule zones are established as designated on the following map entitled "Forest Crop Law Severance Schedule Zones" and the rates shall be as follows:

DEPARTMENT OF NATURAL RESOURCES 250-19

(a) Logs (stumpage per M feet board measure)

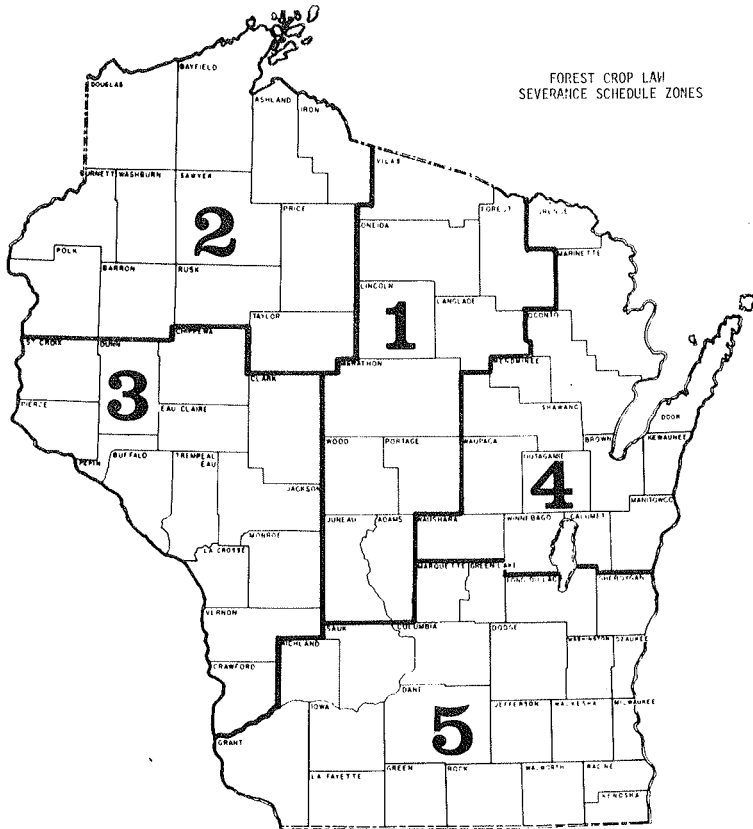
	NC	NW	WC	LM	SD
	1	2	Zone 3	4	5
1. White pine	\$ 52.00	\$ 44.00	\$ 39.00	\$ 39.00	\$ 49.00
2. Red pine	49.00	44.00	42.00	36.00	49.00
3. Jack pine	24.00	24.00	24.00	24.00	24.00
4. Spruce	26.00	26.00	26.00	26.00	26.00
5. Tamarack	22.00	22.00	22.00	22.00	22.00
6. Cedar	20.00	20.00	20.00	20.00	20.00
7. Hemlock	19.00	19.00	19.00	19.00	19.00
8. Aspen	14.00	14.00	18.00	22.00	18.00
9. Hard maple	69.00	30.00	59.00	59.00	59.00
10. Soft maple	35.00	27.00	35.00	35.00	35.00
11. Yellow birch	50.00	50.00	50.00	50.00	50.00
12. White birch	26.00	26.00	26.00	26.00	26.00
13. Basswood	62.00	23.00	31.00	62.00	44.00
14. Elm	40.00	27.00	27.00	40.00	40.00
15. Red oak	55.00	31.00	62.00	78.00	74.00
16. White oak	54.00	48.00	42.00	54.00	60.00
17. Other oak	26.00	26.00	26.00	26.00	26.00
18. Ash	26.00	26.00	26.00	26.00	26.00
19. Black walnut	600.00	600.00	600.00	600.00	600.00
20. Other species	26.00	26.00	26.00	26.00	26.00

(b) Cord products - rough volume (unpeeled). (Stumpage per pile cord, 4' x 4' x 96-100" or 4' x 8' x 4')

	Zone				
	1	2	3	4	5
1. White pine	\$ 5.50	\$ 5.50	\$ 3.60	\$ 4.90	\$ 4.90
2. Red pine	9.50	9.00	9.00	10.60	5.00
3. Jack pine	9.50	10.60	10.60	11.20	5.60
4. Spruce	8.40	6.20	6.60	9.20	4.40
5. Balsam fir	5.00	4.10	3.90	5.20	2.50
6. Tamarack	4.00	4.00	4.00	4.00	4.00
7. Cedar	2.50	2.50	2.50	2.50	2.50
8. Hemlock	4.50	4.50	4.50	4.50	4.50
9. Aspen	4.50	2.80	2.80	6.10	2.90
10. White birch	3.20	2.10	2.40	2.60	2.10
11. Oak	2.70	2.00	2.20	3.00	1.80
12. Mixed hardwoods	2.80	1.60	2.20	3.20	1.70
13. Firewood	1.50	1.50	1.50	1.50	1.50
14. Sawbolts, all species	13.00	13.00	13.00	13.00	13.00

(c) Piece products (stumpage per piece)

	Zone				
	1	2	3	4	5
<u>Posts and poles</u>					
1. 7 and 8 ft.	\$ .05	\$ .05	\$ .05	\$ .05	\$ .05
2. 10 and 12 ft.	.10	.10	.10	.10	.10
3. 14 and 16 ft.	.20	.20	.20	.20	.20
4. 18 and 20 ft.	.50	.50	.50	.50	.50
5. 25 ft.	1.00	1.00	1.00	1.00	1.00
6. 30 ft. and over	1.50	1.50	1.50	1.50	1.50
<u>Christmas trees</u>					
7. Black spruce	.60	.60	.60	.60	.60
8. All other species	.80	.80	.80	.80	.80



(9) The determination of the tax for withdrawal or cancellation as specified in s. 77.10, Stats., shall be based on a calculation for the uninterrupted period of entry under the law, or as otherwise directed by ch. 77, Stats.

(10) The renewal notice form shall be sent certified mail by the department to the landowner's last post office address. The landowner shall complete and return the renewal notice form to the department within 60 days. If the landowner does not return the renewal notice within 60 days, the department will unilaterally appoint an estimator and not renew the lands.

(11) The department is not required to hold a public hearing upon renewal, in conformance with s. 77.03, Stats., of a previously entered contract when the department and the owner have agreed by mutual consent to renew the contract.

(12) The department is not required to publish or provide written notice of a renewal pursuant to s. 77.03, Stats.

(13) The renewal order shall be filed, with all officers designated to receive copies of the orders of entry and the owner.

(14) Any petition for hearing pursuant to s. 77.10(1) (a), Stats., or any request for hearing pursuant to s. 77.02(2), Stats., shall contain an allegation, with a statement of facts to support such, that the lands to which the petition for entry or hearing applies are ineligible for entry or continuation under the forest crop law.

(15) The determination of estimated merchantable volume shall be at an accuracy level of 15 to 20% at 2 standard deviations for any one owner by county.

(16) Upon request by the owner the department may provide an estimated range of termination cost based upon forest type, stand size and density classes, using available department forest cover type maps and the current severance tax schedule.

(17) If the department and the landowner agree that the department will make the estimate, then the department will provide the estimate pursuant to s. 77.03, Stats., at a cost to the owner of \$50 per quarter section, fractional lot or governmental lot.

**History:** Cr. Register, May, 1973, No. 209, eff. 6-1-73; cr. (7) and (8), Register, August, 1973, No. 212, eff. 9-1-73; cr. (7) (e) and (f), r. and recr. (7) (d), am. (7) (b) and (8), Register, January, 1975, No. 229, eff. 2-1-75; emerg. am. (8), eff. 9-1-75; am. (8), Register, December, 1975, No. 240, eff. 1-1-76; am. (7) (f) and (8), Register, December, 1976, No. 252, eff. 1-1-77; am. (3) (intro) (5) and (6), cr. (9) to (17), Register, August, 1977, No. 260, eff. 9-1-77; r. and recr. (8), Register, November, 1977, No. 263, eff. 12-1-77; r. and recr. (8), Register, October, 1978, No. 274, eff. 11-1-78.

**NR 46.03 Woodland tax law, s. 77.16, Stats.** (1) The minimum acreage for entry or renewal shall be a 10-acre tract of contiguous forest land. Areas of less than 10 acres, if contiguous to an existing entry, may be added to such entry.

(2) Conveyance that results in partition of lands of an entry shall be cause for cancellation of the entire entry. An entry conveyed in its entirety shall continue its classification under this section.

(3) The following conditions will be considered upon application for entry to determine if land are more suitable for purposes other than the practice of forestry.

(a) Adjacency to or in the vicinity of industrial, recreational, residential, agricultural or commercial developments for which the lands being applied for are also suitable.

(b) The presence of surface disturbance in the form of current commercial metallic or non-metallic mining or landfill operations.

(c) Zoning laws and ordinances.

(d) Other conditions may also be considered.

(4) The presence of surface disturbance in the form of current commercial metallic or non-metallic mining or landfill operations shall be prima facie evidence that the land is no longer used for forestry purposes.

(5) Non-productive areas shall not exceed 20% of the total contiguous proposed entry.

(6) An acceptable management plan shall be prepared by a qualified forester representing the landowner, or the department of natural resources to consist of the following:

(a) The name (s) and address (es) of the landowner (s).

(b) The legal description of the lands.

(c) An appropriate map (s) or aerial photos of the land on which cover types are identified by conventional map symbols indicating species, size and density of vegetation.

(d) A schedule by 5-year increments of the required forest management practices to be carried out during the contract period. Forest management practices required to be performed during the contract period are:

1. Harvesting of mature timber according to sound forestry practices.
2. Thinning of plantations and natural stands for merchantable products according to sound forestry practices.

3. The release of pine from competing vegetation.

4. The reforestation of open and understocked areas.

(e) Management practices which are desirable and may be carried out during the contract period by the landowner by his/her option.

(f) Signatures of the landowner (s) (and the qualified forester representing the landowner if appropriate) and the inspecting department forester.

**History:** Cr. Register, May, 1973, No. 209, eff. 6-1-73; r. (1), (4) (a) and (7), renum. (2) and (3) to be (1) and (2), renum. (4) (b) to (e) to be (3) (a) to (d), (5) and (6) to be (4) and (5), cr. (6), Register, February, 1977, No. 254, eff. 3-1-77.

**NR 46.04 Forms.** Application for entry, renewal, transfer, withdrawal, management plan or cutting under the forest crop or woodland tax law shall be made on forms provided by the department and are

Register, October, 1978, No. 274



DEPARTMENT OF NATURAL RESOURCES 250-23

available from: Department of Natural Resources, Box 7921, Madison, Wisconsin 53707.

**History:** Cr. Register, May, 1973, No. 209, eff. 6-1-73; am. Register, February, 1977, No. 254; am. Register, August, 1977, No. 260, eff. 9-1-77.