480a Forest Tax Law

July 2022 - The Department has filed Draft amendments to the State's existing 6 NYCRR Part 199 Forest Tax Law regulations. Information on the changes can be found on the Lands and Forests Regulatory Revisions page.

To encourage the long-term management of woodlands to produce forest crops and thereby increase the likelihood of a more stable forest economy, in 1974 the State of New York enacted the 480a forest tax law to qualifying owners. View the section of the Real Property Tax Law or the regulations that implement the law (both links leave DEC website).

- Eligible lands and landowners
- Determining if the Forest Tax Law Program is for you
- How to enroll
- Forest management plans
- Harvesting procedure
- How to obtain a reduction in assessment
- How to determine an exemption
- Selling the land
- Responsibilities of the landowner
- Responsibilities of DEC
- Forms for landowners and cooperating foresters

Stakeholder Meetings and Webinar, Spring 2019

In spring of 2019, DEC Lands and Forests staff held 10 meetings across the state with stakeholders to discuss proposed changes to the 480a forest tax law that would include increasing compliance, reducing administrative burdens, and improving forestry outcomes. The changes under consideration would not alter the annual tax benefit, stumpage tax, commitment period or penalties for non-compliance.

- View the slides from the presentation (PDF) shown at these meetings.
- View the webinar recording (leaves DEC website).
- View the public comments (PDF) collected at each of these meetings.

For questions about the proposed regulation changes, please contact our Bureau of Forest Resource Management.

How the Forest Tax Law Works

Eligible Lands and Landowners

Any tract of forest land is eligible if it consists of at least 50 contiguous acres, exclusive of any portion not devoted to the production of forest crops. lands divided by state, county or town roads, energy transmission corridors and similar facilities, but not limited-access highways, are considered contiguous for purposes of this act.

To be eligible, any timber harvest conducted within three years prior to application must have been conducted in accordance with a sound forest management program.

Any owner of forest land may apply whether he or she is an individual, private corporation, industry, partnership, association, firm, trust, estate or any other private legal entity, excluding government entities.

Determining if the Forest Tax Law Program is For You

An owner must first decide if he or she is willing to commit land to the production of forest crops and to follow a management plan, prepared by a forester and approved DEC, for the next succeeding ten years beginning each year that they receive a tax exemption. This decision can be made only after an analysis of the investments required by the plan, income from forest product sales and associated stumpage.

Tax savings may vary considerably for different properties. An owner must first determine the likely exemption to apply to his or her property and estimate the resultant tax reduction, if any. It is possible that there would be no savings. If this analysis shows that a tax reduction can be obtained, a forester should be consulted for professional advice about the approximate costs of preparing a management plan and making investments in the forest which may be required by the plan.

The owner is then in a position to make an appropriate decision with respect to applying for participation in the program.

How to Enroll

A landowner should submit the following to the DEC Regional Forester assigned to the county in which the property is located.

1. A completed application form and an annual commitment form*. These forms are also available from any of the regional forestry offices.
2. A management plan prepared by a forester.
3. A map or aerial photograph showing the location of the property.

If the application is complete and acceptable, the Regional Forester will mail the owner a certificate of approval within 60 days of receipt of the application. If it is rejected, the owner will receive the reasons for rejection in writing within the same time period.

DEC foresters work with landowners in the Forest Tax Law program

*The annual commitment form should be completed and sent to the DEC Regional Forester assigned to the county in which the property is located **each year**.

Forest Management Plans

Forest management plans include maps, tables and written text that show the boundaries and size of the forest, what kinds and sizes of trees it contains and what needs to be done to produce and harvest forest crops. The map, which is part of the plan, will also show areas of the ownership not in forest cover, such as open fields, roads and lakes. Eligible tracts must be managed primarily for forest crop production, although other compatible uses, such as forest recreation and watershed management can be allowed. A plan identifies scheduled commercial harvests, noncommercial thinnings, road construction and other management practices. These practices are listed in a scheduled part of the plan that shows the work to be done each year. Initially, this schedule is for 15 years and will be updated every 5 years thereafter, as long as the owner seeks exemption. It must be followed for the next 10 consecutive years after obtaining annual exemption.

Because professional judgment is required to prepare a forest management plan, it must be prepared by a qualified forester. An owner may have the management plan prepared by a private forester, for a cost. The fee charged by private foresters can vary. A directory of private cooperating foresters is available from the Regional Foresters.

Failure to adhere to the annual commitment in the work schedule of the management plan will result in revocation of the certificate of approval by DEC, and the imposition of penalty or roll-back taxes by the county as provided in subdivisions 7(a) through 7(f) of the law.

Harvesting Procedure

An owner must harvest crops as specified in his or her work schedule. Flexibility is allowed, however, in that an owner may request alterations in the work schedule for economic or biological reasons.

Not less than 30 days prior to a planned cutting, the landowner must submit a cutting notice to the DEC Regional Forester. He or she will certify the value of the stumpage and, on receipt of this certification, the owner pays within 30 days, a tax of 6 percent of the value to the treasurer of the county where the property is located.

How to Obtain a Reduction in Assessment

Initially, the owner must submit an application for exemption, a certificate of approval issued by DEC and a forest type map to the Town Assessor on or before the taxable status date, usually March 1 of each year.

An owner must follow the commitment spelled out in his management plan for a ten-year period following receipt of each annual exemption. This commitment represents a lien on the property and is recorded by the County Clerk.

How to Determine an Exemption

The following example illustrates how to determine the exemption:

First: Take the assessment per acre and multiply it by 80%.

Example: Original assessment per acre = $120

$120 x 80% = $96/acre.

Second: Take the equalization rate for the town and multiply it by $40/acre and subtract that amount from the original assessment:

Example: Equalization rate = 70%

$40 x 70% = $28/acre

$120 - $28 = $92/acre

The exemption is the lesser of the two calculations, in this example $92. To obtain the new assessment, take the amount of the exemption and subtract it from the original assessment per acre: $120 - $92 = $28/acre.

It is possible that, even though the example shows that a substantial reduction is possible, neither of these calculations will result in a tax savings when figures relating to your tax situation are substituted. It is, therefore, important that an owner make actual calculations for his or her own situation.

Selling the Land

A piece of land in the 480a forest tax law program may be sold, but the obligation to follow the management plan stays with the property for the remainder of the commitment period. Also, subdivisions of less than 50 acres will be subject to roll-back taxes if established within the commitment period.

Responsibilities of the Landowner

1. To submit a completed application for certification, including one application form, two copies of the management plan and three forest-type maps.
2. To mark and maintain, on the ground, the boundary line of an eligible tract.
3. To submit an initial Certificate of Approval to the County Clerk and Town Assessor.
4. To submit Application for Real Property Tax Exemption to the Town Assessor.
5. To file an annual commitment form with the Town Assessor and the DEC Regional Forester each year.
6. To comply with the plan's work schedule for a ten-year period after obtaining each annual exemption.
7. To submit an updated work schedule every five years so that there is always a work schedule available for the ten-year commitment period.
8. To submit a notice of cutting to the local DEC Regional Forester not less than 30 days prior to the contemplation of a commercial harvest cutting and to pay a 6 percent tax on the stumpage value to the County Treasurer within 30 days of the receipt of certification of value.

Responsibilities of the DEC

1. To provide the owner a certificate of eligibility for forest land tax exemption within 60 days of receipt of a completed application that meets the requirements of the law and Rules and Regulations.
2. To establish standards and approve management plans, work schedules and revisions.
3. To certify stumpage value.
4. To make all necessary forms available to landowners.
5. To revoke certificates of approval when necessary.

Forest tax law certification procedure handbook (PDF)

Forms

For landowners:

- Annual commitment form (PDF)
- Application for certificate of approval (PDF)
- Real property exemption form (PDF)
- Notice of commercial cut (PDF)

For cooperating foresters:

- Forest land classification and treatment report (PDF)
- Stand diagnosis and prescription (PDF)