



OHIO'S FOREST PROPERTY TAX LAWS

Contact your service forester at ohiodnr.com/forestry

Ohio Division of Forestry

2045 Morse Road, Building H-1, Columbus, OH 43229-6693

Telephone: (614) 265-6694 • Toll Free: (877) 247-8733 • Fax: (614) 447-9231

The State of Ohio offers landowners two options for the reduction of property taxes on their forestland. The **Current Agricultural Use Value (CAUV)** program (Ohio Revised Code Sections 5713.30 through 5713.38) provides for reduced property taxes at varying rates based on the productivity of the soil. The **Ohio Forest Tax Law (OFTL)** program (Ohio Revised Code Sections 5713.22 through 5713.26 and Administrative Code Sections 1501:3-10-01 through 3-10-07) provides for a fifty percent reduction in the local tax rate on forestland. Although forestland may qualify under both laws, any given tract can be enrolled in only one program. In exchange for the tax reduction conferred by Ohio's forest property tax laws, landowners agree to manage their forestland for the production of timber and other forest products and to abide by pertinent rules and regulations.

COMPARISON of CAUV and OFTL

CURRENT AGRICULTURAL USE VALUE (CAUV)	OHIO FOREST TAX LAW (OFTL)
<p>Administered by: The County Auditor for the county in which the land is located.</p> <p>Requirements:</p> <ul style="list-style-type: none"> ▪ Farms (building sites excepted) must be 10 acres or more and devoted exclusively to commercial agricultural use for the three years prior to the year of application; or if a farm is less than 10 acres, average gross income must be at least \$2,500 per year for three years, or anticipated income must be at least \$2,500 for the year of application. ▪ If a tract of forestland is 10 acres or more, it is eligible for CAUV if that forestland is devoted exclusively to the commercial production of timber. ▪ If the farm is devoted exclusively to agricultural use, adjacent non-commercial forestland may qualify under certain circumstances. ▪ The landowner may be required to manage his or her forestland in accordance with an approved forest management plan. ▪ There is a one-time application fee of \$25. The landowner must also complete an annual renewal application with no additional fee. <p>Tax Reduction: Varying reduction based on the soil productivity of the land on which the forest is located.</p> <p>Terms of Reduction: If land use changes or if the landowner decides to withdraw his or her land from CAUV, there is a recoupment penalty equal to the tax savings for the preceding three years.</p>	<p>Administered by: The Ohio Department of Natural Resources (ODNR), Division of Forestry (DoF).</p> <p>Requirements:</p> <ul style="list-style-type: none"> ▪ Forestland must be 10 or more contiguous acres (home sites and other building sites excepted) and not less than 120 feet wide. ▪ Property boundary lines and/or forest boundary lines must be clearly marked prior to examination and those markings continuously maintained. ▪ Before forestland can be certified, the landowner is required to demonstrate his or her intent to manage that land by completing a prescribed forestry practice. ▪ The landowner must manage his or her forestland in accordance with a forest management plan approved by the Chief of the DoF. ▪ Every five years, the DoF will inspect certified forestland to ensure compliance with the program and with the forest management plan. ▪ During the first five years of certification, the landowner must attend eight hours of forestry education approved by the Chief. ▪ There is a one-time application fee of \$50. <p>Tax Reduction: Forestland certified under OFTL is taxed at 50 percent of the local tax rate.</p> <p>Terms of Reduction: Certification is continuous unless land use changes, ownership changes, the landowner withdraws his or her forestland from the program, or the landowner is otherwise no longer in compliance. There are no penalties for withdrawal.</p>

HOW DO YOU DECIDE WHICH PROGRAM IS BEST FOR YOU?

Contact your county auditor’s office for a copy of your current property tax appraisal card. Using the figures on that card, you can estimate savings you will receive under Ohio’s forest property tax laws. Be sure to consider net taxes paid on forestland after accounting for the reduction factor and, when applicable, the ten percent rollback. The auditor’s office can compute CAUV using soil maps furnished by your county Soil and Water Conservation District (SWCD) office. Under OFTL, the local tax rate of forestland is reduced by fifty percent. For estimating savings you may receive, consider the following example:

- Your forestland amounts to 30 acres
- Effective local tax rate: 50 mills after all tax credits are accounted for
- Appraised market value: \$800 per acre (your amount may be greater; check local appraised value)
- Tax value: 35% of the appraised market value

Estimated Property Tax without CAUV or OFTL

<u>Value</u>	<u>Calculation</u>	=	<u>Amount</u>
Total Value	\$800 per acre x 30 acres	=	\$24,000
Tax Value	\$24,000 x 35% (0.35)	=	\$8400
Property Tax Due	\$8400 x 50 mills (0.05)	=	\$420

Estimated Property Tax with CAUV			Estimated Property Tax with OFTL		
<i>Value</i>	<i>Calculation</i>	<i>Amount</i>	<i>Value</i>	<i>Calculation</i>	<i>Amount</i>
Total Value*	\$230 per acre x 30 acres =	\$6,900	Total Value*	\$800 per acre x 30 acres =	\$24,000
Tax Value	\$6,900 x 35% (0.35) =	\$2,415	Tax Value	\$24,000 x 35% (0.35) =	\$8400
Property Tax Due	\$2,415 x 50 mills (0.05) =	\$120.75	Property Tax Due	\$8400 x 25 mills (0.025) =	\$210**

* Many forest soils in Ohio are assigned a CAUV of \$230 per acre. However, CAUV increases for more productive forest soils. The minimum estimated total value for forestland per acre in Ohio is approximately \$800 per acre, but this amount is greater in those regions where local property values are higher.

** Note that the property tax rate in this example is reduced by half with OFTL, from 50 mills to 25 mills.

HOW TO APPLY

CAUV: Apply at your county auditor’s office between the **first Monday in January and the first Monday in March**. For the three-year update or six-year reappraisal, the application period is extended to permit comparisons of CAUV with new appraisal values. The initial application fee for CAUV is \$25. You may be required to have a forest management plan in place at the time of application. Check with your auditor’s office well before the application period to determine requirements for CAUV in your county.

OFTL: Obtain a copy of “Application for Classification of Forest Land” (FT-6) from the Ohio Division of Forestry (DoF) through your service forester or from the DoF website (ohiodnr.com/forestry). After completing the form, return it to your service forester along with:

- 1) A copy of your most recent property tax bill, available at your county auditor’s office;
- 2) Three photocopies of aerial photos of your property, available at your county Farm Service Agency (FSA) office, located at the U.S. Department of Agriculture (USDA) Service Center; and
- 3) A tax plat map, available at your county tax map office or county surveyor’s office.

Your service forester will then make arrangements to examine your forestland with you to determine if it qualifies. Once you have met all the requirements for application, your service forester will collect from you a non-refundable fee of \$50 and process your application.

If you have questions, contact your service forester at: ohiodnr.com/forestry

APPLICATION FOR CLASSIFICATION OF FOREST LAND

To the Chief, Division of Forestry:

In accordance with sections 5713.22-.26 of the Ohio Revised Code, I hereby apply for the classification of certain lands owned by me as forest lands for the purposes of timber production and for the entrance of the same under the Ohio Forest Tax Law.

APPLICANT TO FILL BLANKS BELOW

Name _____

Mailing Address: _____

City, _____ State, _____ Zip _____

Phone _____

Email _____

Total number of acres on property _____ Estimated acres in forest _____

Parcel(s)# _____

(If necessary, list additional parcels on an attached sheet).

County _____ Township _____

Location of forest land if different from mailing address (address or location by road):

Is this forest land currently under the Current Agricultural Use Value (CAUV) program? ¹ _____

Is forest grazed by livestock? _____ (Forestland cannot be considered for forest land tax reduction unless the owner is willing to keep livestock out of the woods).

Do you have any deed restrictions or local ordinances that deal with forest management? _____ If yes, please attach a copy of those restrictions.

Do you have a Forest Stewardship Management Plan? _____ If yes, please provide a copy of this plan.

Was this forest land previously classified under the Ohio Forest Tax Law? _____ Please provide previous owner's name _____

Signatures of Owner(s): ²

DO NOT SUBMIT
\$75.00 APPLICATION
FEE AT THIS TIME

Date: _____

1. The forest land acreage on your property can only be placed under one tax reduction program, Current Agricultural Use Value (CAUV) or Ohio Forest Tax Law.
2. This form must be signed by the person(s) in whose name the property is recorded in the County Auditor's office.





Ohio Forest Tax Law (OFTL) Eligibility and Requirements

OFTL is administered by the Ohio Department of Natural Resources, Division of Forestry, according to the Ohio Revised Code and the Ohio Administrative Code. In exchange for the tax reduction conferred by Ohio's forest property tax laws, landowners agree to manage their forest land for the commercial production of timber and other forest products and to abide by pertinent rules and regulations.

If you would like to find out more about OFTL, contact your local service forester. A directory of service foresters can be found on the Division's website forestry.ohiodnr.gov/serviceforesters. Or, you may contact Ohio Forest Tax Law Coordinator Cotton Randall at 614-265-6667 (or by email at cotton.randall@dnr.state.oh.us).

Your Land Must Meet the Definition of "Forestland"

According to the Ohio Administrative Code, "forest land" is defined as:

"Land for which the primary purpose is the growing, managing and harvesting of a merchantable forest product of commercial species under accepted silvicultural systems through natural or artificial reforestation methods and for which there is an approved forest management plan. The forest land shall consist of a stand or stands of commercial species of forest trees which contain at least fifty square feet of basal area or at least three hundred stems per acre which shall be evenly distributed throughout the stand. Land otherwise meeting the definition of forest land per this paragraph but where such purposes are prohibited or made impracticable by ordinance, resolution, easement or other restriction are excluded from this definition."

If your forestland meets that definition, it may be eligible for certification under Ohio Forest Tax Law (OFTL).

Is My Land Eligible?

- Forestland must be 10 or more acres (home sites and other building sites excepted; 1.0-acre deduction) and not less than 120 feet wide.
- Forestland must include, per acre, at least 300 stems for younger plantations or 50 square feet of basal tree for native or long-established plantations. The trees counted toward this requirement must be commercial species such as oak, hickory, maple, beech, cherry, walnut, yellow-poplar, pine, etc. Commercial orchards and Christmas tree plantations do not qualify as forestland under OFTL.
- Forestland must be accessible for management.

- Property boundary lines and/or forest boundary lines must be clearly marked prior to examination and those markings continuously maintained.

What Do I Have to Do?

- You have to apply to take part in the program.
- Before your forestland can be certified, you must mark your property boundary lines per program specifications.
- You must manage your forestland in accordance with a forest management plan approved by the Chief of the Division of Forestry.

How Much Does it Cost?

- There is a one-time fee of \$75 that is due only after your forestland has been certified for eligibility. Any costs for compliance are born by the landowner.

A Forest Management Plan is Required

In order to qualify for OFTL, landowners must have a written plan to guide them in the management of their forestland -- a plan prepared by a professional consulting forester and approved by a State Forester working for the Ohio Division of Forestry. Landowners are required to follow the provisions of their forest management plan. Every five years, you will be required to self-certify that you are following your forest management plan, and your certified forestland will be subject to a random examination by a State Forester to ensure compliance with the plan and with other requirements under OFTL.

The Ohio Administrative Code defines a **forest management plan** as “*A written document establishing direction and goals for the management of a specific forest land area. If not prepared by the division, the document must be developed by a professional consulting forester. The plan will specify all silvicultural practices and activities necessary to accomplish the merchantable production of a forest product, all practices that will minimize adverse environmental effects and will include but not be limited to the elements described in rule 1501:3-10-04 [i.e., location, description, map, management schedule, etc.].*”

Requirements for Certification:

- A tract of forestland must be at least 10 acres and no less than 120 feet wide. Deductions are made for the following non-qualifying acreage:
 - Homesites and other building sites (minimum of 1 acre deduction)
 - Streams, rivers, roads, and other non-forested strips, including utility and railroad rights-of-way, more than 120 feet wide
 - Lakes and ponds greater than 1 acre in size
- Forestland must be accessible for management.
- Forest plantations are eligible for certification after at least one full calendar year as long as they include at least 300 living trees per acre of commercial species such as oak, hickory, maple, beech, cherry, walnut, yellow-poplar, pine, and so on. Commercial orchards and Christmas tree plantations do not qualify as forestland under OFTL.
- Property boundary lines and/or forestland boundary lines must be marked and those markings must be continuously maintained. Any of the following ways of marking boundary lines is acceptable:
 - Blazing of trees with paint
 - Installation of posts or stakes
 - Metal or plastic signs measuring at least 4 inches by 4 inches or having a 4 inch diameter
 - Installation of a fence (an existing well-constructed fence qualifies)
- If the landowner uses paint, posts, or stakes, marks or markers must be no farther than 100 feet apart and visible from one mark to the next. Stakes or posts must have a height of at least 4-1/2 feet above the ground. Any materials used for markings shall have a lifespan of at least 10 years. The use of flagging, ribbon, or surveyor's tape is not an acceptable way to mark boundary lines.
- If the landowner has cut or removed a merchantable forest product during the three years prior to the time of application, that cutting or removal must have been accomplished as part of an acceptable silvicultural practice as determined by the Ohio Division of Forestry, or the landowner implements practices prescribed by the Division to address the improper harvesting.

Landowner Requirements

In order to have your land certified under OFTL and to continue with that certification, landowners must:

- Declare that your forestland will be devoted exclusively to forestry with a primary objective of producing merchantable forest products and may include its allied fields of wildlife

Ohio Department of Natural Resources, Division of Forestry

2045 Morse Road, Building H-1 • Columbus, OH 43229-6693 • Phone: (614) 265-6694 • Toll Free (877) 247-8733 • Fax: (614) 447-9231
Website: forestry.ohiodnr.gov

conservation, recreation, aesthetics, etc., where these do not interfere with the productivity of the forest.

- Establish and maintain property boundary line and/or forest boundary line markings according to OFTL standards.
- Follow the forest management plan prepared for your property.
- Before cutting timber, submit a timber harvest Notice of Intent (NOI) and timber harvest plan with their local Soil and Water Conservation District office and with your Ohio Division of Forestry forester.
- When cutting timber, a professional forester must be consulted to ensure the timber harvest complies with your forest management plan. You also must use a logger certified by the Ohio Forestry Association (OFA) as a master logger. A list of OFA Master Loggers can be found on the OFA website. You may request a waiver of the master logger requirement if justified; consult with you state forester in such cases.
- During and at the close of logging operations, implement best management practices to prevent or reduce erosion, sedimentation, and water pollution.
- Protect their forestland from livestock.
- To the best of their ability, protect their forestland from fires.
- Comply with all laws, rules, and regulations promulgated by the Chief, which are used in the administration of [ORC 5713.22 - 26](#). See [OAC 1501:3-10-01 - 07](#) for more details.
- Affirm your understanding that:
 - When certified forestland is divided or split into two or more ownerships, the original owner will need to update their agreement with the Ohio Division of Forestry. New owners will need to apply for certification.
 - When ownership of certified forestland changes through sale, deed transfer, or any other means, new owners will need to apply to maintain certification except when ownership change is to a family member. With transfers to family members, an affirmation by the new family members required to the agreement terms and forest management plan.
 - When certified forestland or any part thereof is converted to a use other than that of the commercial production of timber and other forest products (such as the construction of a house or other building, conversion to pasture, etc.), the agreement form and forest management plan shall be updated to reflect the modified acreage. If these modifications are not completed or if the remaining forest acreage do not meet program eligibility requirements, a notice of violation will be issued and the certification will be cancelled if not resolved.

Landowners with questions should contact their local [State Service Forester](#) or [Cotton Randall, Ohio Forest Tax Law Coordinator](#).

Ohio Department of Natural Resources, Division of Forestry



Ohio Forest Tax Law (OFTL) A Step-by-Step Process for Landowners

1. Submit the following documents to your Service Forester:
 - a. A completed [application form](#)
 - b. A copy of your most recent property tax bill(s)
 - c. One (1) copy of a property tax plat map or aerial photograph showing your entire property boundary and at least 1 road intersection. Tax plat maps are available at your county courthouse. Aerial photographs are available from your local U.S. Department of Agriculture Farm Services Agency (FSA) office. Some county auditor websites have GIS aerial photos available on line.
 2. Upon receipt of all materials, your state forester will contact you for an appointment to visit your property. Prior to the state forester's visit, your property boundary lines and/or forest boundary lines must be marked in one of the following ways:
 - Blazing of trees with paint
 - Installation of posts or stakes
 - Installation of a fence (an existing well-constructed fence qualifies)
 - Metal or plastic signs measuring at least 4 inches by 4 inches or having a 4 inch diameter
- Your paint marks, signs, posts, or stakes must be no farther than 100 feet apart and visible from one marking to the next. Stakes or posts must have a height of at least 4-1/2 feet above the ground. Any materials used for markings shall have a lifespan of at least 10 years. The use of flagging, ribbon, or surveyor's tape is not an acceptable way to mark boundary lines.
3. During this visit, the state forester will examine your property to see if it is eligible for certification.
 4. If the state forester informs you that your property is eligible, you will need to contact a professional consulting forester to prepare a forest stewardship management plan for your property.
 5. When you receive a copy of your forest stewardship management plan from the consulting forester, you will send a copy of that plan to your state forester (or have the consulting forester send it).
 6. The state forester will review the management plan for approval, and if approved, will send you three copies of the Ohio Forest Tax Law agreement form (FT-7).

7. All three copies of the agreement form must be signed by the person or persons whose names are recorded on the deed exactly as those names appear on the deed. You must sign the cover page to your forest stewardship management plan.
8. Return all three copies of the signed agreement form, the signed cover page(s) of your forest stewardship management plan, and a \$75 non-refundable application fee (checks only) to your state forester for processing. Make your check payable to the **Ohio Division of Forestry**.
9. Upon receipt of the signed materials and the \$75 application fee, your state forester will submit your application package to the Chief of the Division of Forestry for processing.
10. The Chief will issue a Certificate of Classification to your County Auditor, with copies to you and to your state forester.

Where to Find Additional Woodland Management Training

During meetings and communication with their state forester and professional consulting foresters, landowners will receive information about proper woodland management practices and practices that are required to maintain certification in the Ohio Forest Tax Law program. Direct communication with your forester is important when making forest management decisions and completing practices (e.g., Ohio Forest Tax Law requires that you involve a forester when conducting a commercial timber sale). However, many group education events are available to expand your knowledge of woodland management, wildlife management, and other topics related to owning a woodland. Below is a list of information about such educational opportunities.

Options include:

- [Division of Forestry \(http://forestry.ohiodnr.gov/calendar\)](http://forestry.ohiodnr.gov/calendar) events
- [Ohio Woodland Stewards/OSU \(http://woodlandstewards.osu.edu/\)](http://woodlandstewards.osu.edu/) events
- [OSU "Day in the Woods" \(http://u.osu.edu/seohiowoods\)](http://u.osu.edu/seohiowoods) events
- [Southern Regional Extension Service \(http://www.forestrywebinars.net\)](http://www.forestrywebinars.net) webinars
- [American Tree Farm System \(https://www.treefarmssystem.org/atfswebinars\)](https://www.treefarmssystem.org/atfswebinars) webinars

Ohio Department of Natural Resources, Division of Forestry

2045 Morse Road, Building H-1 • Columbus, OH 43229-6693 • Phone: (614) 265-6694 • Toll Free (877) 247-8733 • Fax: (614) 447-9231
Website: forestry.ohiodnr.gov