



## Forest Land Exemption Application

The Forest Land Exemption Law was put in place by the Idaho State Legislature for the purpose of managing timber resources in the state of Idaho. Per Idaho Code Section 63-1701, "Forest land means privately owned land being held and used primarily for the continuous purpose of growing and harvesting trees of a marketable species."

To qualify, your property must be a minimum of 5 acres (6 acres if there is a residence on the property), have the Forest Land Exemption Summary page, an official Forest Management Plan from an approved forester and a completed form FT-101. This form designates which of the 2 options within the timber program the property owner wishes to utilize.

- **Land Productivity Option** – the land owner pays the taxes on the assessment for the land and projected year's growth. The land owner does not pay taxes on the timber when it is harvested. When the timbered acres are removed from the timber program for any reason, the land is then assessed at full market value, but the land owner is not required to pay back taxes on the difference between full market value and the lower taxable values placed on the land while it was in the program.
- **Bare Land and Yield Option** – the land owner defers a portion of the taxes to be paid later. The assessed value is calculated using rates much lower than those for the Land Productivity option. In addition, a 3% yield tax is billed on the value of the timber when it is harvested. An advantage of this option is that the property tax may be paid partly from the income generated by the sale of the timber.

Two general situations can trigger a deferred tax billing. First, when the land is transferred to a new owner, the deferred tax may then be billed. This tax is based on the difference in total value between the two options for the years the land was in the program. Secondly, if the land no longer qualifies for the timber program but ownership has not changed, the deferred taxes are based on the difference between the Bare Land and Yield value and full market value. In both cases, the total deferred tax billing cannot exceed ten years and credit will be given for any yield taxes already paid during that time.

A land owner is required by state law to designate all of their timber land owned in the state of Idaho, under the same option. The next opportunity to change options will be in 2022 to take effect in 2023.

A Forest Land Management Plan shall consist of a written management plan by a professional consulting forester, Idaho Department of Lands private forestry specialist, professional industry forester or federal government forester. A professional forester is defined as an individual holding at least a Bachelor of Science degree in forestry from an accredited four (4) year institution. A list of approved consulting foresters in the Bonner County area is available upon request. The list is current but not all-inclusive. No endorsements are implied or intended for any consultation. Evaluation of a consultant should be based on criteria from the Association of Consulting Foresters and the Society of American Foresters.

The forest land management plan requires a minimum:

- Date of plan preparation
- Name, address, and phone number of land owner(s)
- Name, address, phone number and signature of approved forester preparing plan
- Parcel number and legal description (and address if available) of property
- Map of property for review
- A general description of the forest stand(s), including species and age classes
- A general description of the potential insect, disease, and fire hazards that may be present and the management plan which will be used to control them
- The Forest Management plan is for the land owner over the next 20 years

The deadline to submit the **(1)**“Owner’s Designation of Forest Land Option” (FT-101), **(2)** Bonner County’s Forest Exemption Summary, and **(3)** your Forest Land Management Plan is **December 31<sup>st</sup>** of each year to qualify for the timber program in the following year. The FT-101 and Forest Exemption Summary forms are available at the Assessor’s office at 1500 Hwy 2, Suite 205, Sandpoint, Idaho or by visiting our website at [www.bonnercountyid.gov/departments/assessor](http://www.bonnercountyid.gov/departments/assessor)





**Forest Land Exemption Summary Application**  
Idaho Code 63-1701 to 63-1708

1. Property Owner's Name(s):

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2. Owner(s) Mailing Address

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3. Property Address for Exemption

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4. All parcel numbers included in this application (**must be contiguous and identical ownership**):

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5. Total acres in this parcel(s): \_\_\_\_\_ Total acres of forest land owned statewide:

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6. Land Use Breakdown:

Forest land: \_\_\_\_\_  
Home site(s): \_\_\_\_\_  
Public Right-of-Way: \_\_\_\_\_  
Non-productive: \_\_\_\_\_ (brief explanation required)

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If a portion of your land is in agricultural use, please request an application for the agricultural exemption.

7. Is property in a platted subdivision? \_\_\_\_\_  
If yes, are there any covenants prohibiting timber management? \_\_\_\_\_

8. Forester's Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone #: \_\_\_\_\_

*I declare under penalty of perjury that this application and accompanying Forest Land Management Plan to the best of my knowledge are true, correct, and complete.*

Forester's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Owner's Designation of Forestland Option FT-101

Application must be filed with the County Assessor by December 31 to be effective for the following year.

<b>Name</b>		<b>Phone Number</b>
<b>Email Address</b>		
<b>Parcel Number(s) (attach a list if needed)</b>	<b>Acres applied for</b>	<b>Total Forestland in Idaho</b>
<b>Legal Description (attach additional sheets as needed)</b>		

I apply to designate this land as forest land for assessment beginning January 1, 20\_\_, as provided by Idaho Code section 63-1703. (See additional information on the 3rd page.) I state that:

- The primary purpose of this land is to grow and harvest trees of a marketable species.
- The total acreage is five or more acres but less than 5,000 acres, whether contiguous or not, and held in common ownership.
- The designation shall remain in effect for a minimum period of 10 years unless: (1) the forest lands are transferred to another owner with forest land in a different assessment category, or (2) the use of these lands does not conform to the definition of forestland as stated in Idaho Code section 63-1701.

I understand that under Idaho Code chapter 17, title 63:

- I am responsible for notifying the county assessor within 30 days of any transfer of ownership or substantial change in use of these forest lands.
- When forest lands have been designated, failure to notify the assessor of a change in use shall cause forfeiture of such designation. The property shall be appraised, assessed and taxed at full market value as provided in Idaho Code section 63-1702.
- To verify the reports required, the State Tax Commission shall have the right to examine the source land and records of the landowner, timber owner, forest products owner, or party utilizing the logs or other forest products at the time of harvest.

I understand that under the Bare Land and Yield Option:

- Forest lands designated under this option shall be subject to the recapture of deferred taxes upon: (1) removal of the designation, (2) a substantial change in use, or (3) ownership transfer and change of designation.
- Report and payment of yield taxes is the direct liability and responsibility of the landowner when the timber is harvested. Delinquent yield taxes shall be collected as provided by law.

## Declaration

As owner or contract buyer of the above described land, I declare by my signature below that I am aware of the conditions described herein and choose the option marked below.

- Productivity Option**       **Bare Land and Yield Option**

I declare under penalty of perjury that this application and any accompanying papers have been examined by me and, to the best of my knowledge, are true, correct, and complete.

**To be valid, this document must be signed by all owners of this land. If this property is in a Trust, Corporation, or an LLC, also include a copy of the trust documents or corporation/LLC papers.**

<b>Printed Name</b>  <b>Signature</b>	<b>Date</b>
<b>Printed Name</b>  <b>Signature</b>	<b>Date</b>
<b>Printed Name</b>  <b>Signature</b>	<b>Date</b>
<b>Printed Name</b>  <b>Signature</b>	<b>Date</b>