***DRAFT***

1. ***Sustainable Forest Management Incentive Program:***

***Amendment of current 480-a forest tax law incentive program.***

* Creates two new options for sustainable forest management within 480-a tax law.
* Sunsets current 480-a forest tax law over 10 year period for current enrollees with less than 1,000 acres.
* Current enrollees provided initial one-time penalty free opt-out, with opt-out option at a later date (up to 10 years) if transferring enrollment to one of new options.
* Sunsets Fisher Forest Tax law (separate action, not part of 480-a amendment)
1. “Current 480-a” option:
	1. Changes minimum holding size from 50 to 1,000 acres.
	2. All current 480-a requirements and terms retained.

1. “Green Certification” option:
	1. Requires enrollment in a DEC-approved, independent, third-party forest certification program with annual audits, by accredited auditors, at the ownership level (currently, only FSC and SFI meet these criteria).
	2. Minimum acreage for eligibility 25 acres.
	3. No mandatory work schedule required and minimal interface with DEC forestry staff.
	4. No stumpage tax on timber harvests.
	5. Requires annual 10-year, rolling commitment, with verification of continuing forest certification enrollment.
	6. Provides 70% assessment reduction for enrolled acres.
2. “Time of Harvest” option:
	1. Reduces required acreage for eligibility from 50 to 25 acres.
	2. Expands definition of “eligible land” to include up to 50% not meeting current “forestland” definition
	3. Enrollment at time of voluntary commercial timber harvest.
	4. No penalty conversion to this option for lands currently in 480-a
	5. Enrolls entire non-agricultural open space excluding developed areas of participating holding. Timber harvest (minimum 10 acres) can occur on any portion of enrolled holding.
	6. Initial commercial harvest requires DEC-approved “Sustainable Harvest Plan”, prepared by professional forester.
	7. Fixed 15-year term enrollment period from time of harvest with no change of land use allowed on enrolled acres.
	8. No management plan required for entire property
	9. No mandatory work schedule or required non-commercial practices
	10. No mandated harvest schedule or interval
	11. Future harvests permitted only under another DEC-approved harvest plan.
	12. New harvest may extend 15-year term enrollment and assessment reduction, at owner’s option
	13. No 5-year updates or plan amendments required
	14. No mandatory boundary line maintenance
	15. No stumpage tax on approved timber harvest.
	16. Provides 40% assessment reduction for enrolled acres.
	17. Penalties for violation of program terms (similar to current 480-a?).
* Addresses many criticisms of existing program since its inception including elimination of mandatory forest management plan work schedule.
* Addresses stakeholders’ interest in a program that recognizes value of open space attributes other than well-stocked timber resources and timber crop production (e.g.-wetlands, shrub lands, etc.)
* Potentially increases the number of timber harvests with forester involvement and forest landowners practicing sustainable forest management across the landscape
* Shifts administrative and oversight resources and focus to “time of harvest” activities on ownerships <1,000 acres
* Encourages enrollment in recognized forest certification programs and rewards those already enrolled
* Provides greater oversight and assurance of program compliance
* Maintains historical assessment reduction or tax savings for large ownerships and certified enrollments
* Reduces local real property tax shifts over time
* Time of harvest option provides market-based limit on program enrollment
* Simplifies and reduces program administration