



## WISCONSIN WOODLAND OWNERS ASSOCIATION

Educating, informing, and engaging  
Wisconsin's woodland owners since 1979

WWOA Briefings #3

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### **The Managed Forest Law – Not the Option it Once Was for Property Tax Relief**

An owner of 50 acres of woods in southwestern Wisconsin, concerned with high property taxes, has five options to consider:

	<u>Tax Classification</u>	<u>Assessment</u>	<u>Property tax</u>
Option #1: Do nothing.	Productive forest	100% of Fair Market Value (FMV)	\$1,980
Option #2: Establish new Tax Parcel on the property	Ag Forest	50% of FMV	\$990
Option #3: Enroll in Managed Forest Law (MFL)	MFL	\$8.27/acre	\$418
Option #4: Enroll in MFL Open To Public Access	MFL-Open	\$1.67/acre	\$83
Option #5: Pasture the woods	Pasture	\$1.38/acre (use value)	\$69

At first glance enrolling in MFL looks like a good choice, but there are many strings attached: A consultant must be hired to write a management plan, at a cost of about \$1000. The plan for these woods will require a mandatory harvest in 10 years. There will be a 5% Yield Tax on the timber harvested, estimated at \$2,000. The land cannot be leased for hunting under the current law, precluding income of about \$1500 per year. There are restrictions on being able to split the land and transferring ownership. Future requirements and regulations can be changed by the state at any time during the 25 year period since landowners sign “agreements,” not contracts with the state when they enter the program. Finally, tax rates are not fixed under current law and are subject to change every 5 years, again without any recourse or ability for a landowner to withdraw from the program.