

# Class 2c Managed Forest Land

This property classification provides a reduced class rate to forested property of 20 acres or more that is subject to a forest management (stewardship) plan and that meets other requirements.

## What is the benefit of the 2c classification?

Owners of forest land who actively follow a qualifying forest management plan may receive a classification rate of 0.65% on any eligible land. For most forested land, the classification rate would otherwise be 1.00%.

For example, a forestland parcel worth \$200,000 would have a tax capacity of \$1,300 instead of \$2,000.

$$\begin{array}{rcl} \$200,000 & \times & .65\% = \$1,300 \\ \$200,000 & \times & 1.00\% = \$2,000 \end{array}$$

**This is a simplified example.** It does not take into account any additional tax costs or savings that may apply to your property. It also does not take into account the variation in local tax rates.

## What are the qualifications?

To qualify for class 2c managed forest land, your property must have:

- at least 20 eligible acres of forested land
- a forest management plan that is registered with the DNR and is less than 10 years old.

The land to be enrolled cannot:

- be used agriculturally
- include property that is enrolled in the Sustainable Forest Incentive Act (SFIA) program, CRP, CREP, RIM, or the Green Acres program.

The 20 acre requirement is based on all eligible land on contiguous parcels, not a parcel-by-parcel basis.

A maximum of 1,920 acres per taxpayer may be enrolled statewide.

## Can a building receive the 2c classification?

In general, no buildings can receive the classification. A structure and surrounding 10 acres would be classified with the use of the structure and not classified as 2c managed forest land.

The presence of a minor, ancillary structure may be included with land receiving class 2c however. These structures are defined as sheds or other primitive structures that add minimal value and are not designed for residential use, and are less than 300 square feet in size.

## How do I apply?

Applications must be made to the County Assessor by May 1 to qualify for class 2c for taxes payable the following year.

You must have a valid forest management plan at the time of application. You cannot apply for the classification with a pending a forest management plan.

## What if I sell the property?

If ownership changes after a property is classified as 2c, the new owner(s) will need to complete a new application in order to continue to receive the classification, as well as provide an updated forest management plan that is registered in the new owner's name.

## How do I get a Forest Management Plan?

Contact your local Department of Natural Resources (DNR) office or forester to learn about developing a forest management plan. Plan writers must be approved by the DNR.

## What if I have questions?

For more information, or for answers to specific questions, contact your county assessor's office.

This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters, or otherwise changes any provisions of the tax law, administrative rules, court decisions, or revenue notices. Alternative formats available upon request.

For Office Use Only

Name of applicant \_\_\_\_\_ Assessment year \_\_\_\_\_

Approved

*Denied*

## CR-MFL

## **Application for 2c Managed Forest Land Classification**

Provides for a reduced class rate of 0.65 percent to qualifying properties

(1) Unplatted real estate that is rural in character, is not used for agricultural purposes, and is not improved with a structure; may qualify for a reduced class rate of 0.65 percent if the property meets all existing requirements. The property must have a qualifying forest management plan (forest stewardship plan) that is registered with the DNR, but the property cannot be enrolled in the Sustainable Forest Incentive Act (SFIA) program. A minor ancillary, non-residential structure (see instructions for description) does not disqualify a property from this classification. The commissioner of natural resources must confirm that a property qualifies for the classification.

**Applications are due by May 1, for taxes payable the following year. Please read instructions before completing application.**

<b>Landowner Information</b>	Name of Applicant or Authorized Representative			
	Current Street Address			
	City	State	Zip Code	County

**Provide the following information for each parcel of land you wish to enroll. The property to be enrolled must be no less than 20 acres and total enrolled acreage is limited to 1,920 acres statewide. A property that is improved with a structure that is not a minor ancillary non-residential structure will be split-classified, with 10 acres being assigned to the structure. If you fail to provide the required information, including the number of acres of a parcel, your application will be delayed or denied. You must attach a copy of your property tax statement for each parcel. You must also attach a copy of your forest management plan that has been developed/updated by a DNR-approved plan writer within the last 10 years.**

<b>A- Property Identification Number (PID)</b>	<b>B- Total Acreage of Parcel</b>	<b>C- Number of Acres to be Enrolled</b>
The PID is not the legal description. Attach a copy of your property tax statement for each parcel.	Separately list for each parcel the total number of acres of the parcel; round to the nearest whole acre.	Separately list for each parcel the amount of acres to be enrolled in the 2c classification; round to the nearest whole acre.

**Attach a separate application if you  
need more space to list parcels.**

**Total Acres to be Enrolled:**

**You must attach all the requested documentation to your application to be eligible for this classification.**

I certify that none of eligible acres (column C) listed above are enrolled in the Sustainable Forest Incentive Act (SFIA) program.

Yes  No

I have attached copies of the property tax statement for each parcel listed above.

Yes  No

I have attached a copy of the registered forest management plan that encompasses all of the land/acres listed on this application, and this plan was developed/updated by a DNR-approved plan writer within the last 10 years.

Year your forest management plan was developed/updated? \_\_\_\_\_

I certify that my forest management plan is registered with the DNR

Yes  No

By signing below, I certify that this form is correct and complete to the best of my knowledge and belief. I am the owner of the property or authorized representative of the organization that owns the property and I agree to follow the land's forest management plan and verify that there is not more than 1,920 acres enrolled for the classification.

*I declare all information on this form is true, correct, and complete to the best of my knowledge and belief*

Signature of Applicant or Authorized Representative	Date	Daytime Phone
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**Please return completed application and required attachments to your county assessor.**

Verifications

Sign Here

# Form CR-MFL Instructions

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## Who is eligible?

The reduced class rate of 0.65 percent is available to property owner's who own property that is:

*Unplatted real estate that is rural in character, is not used for agricultural purposes, and is not improved with a structure; that has a qualifying forest management plan in place, but is not enrolled in the Sustainable Forest Incentive Act (SFIA) program. A minor ancillary, non-residential structure does not disqualify a property from this classification.*

The property must be no less than 20 acres and total enrolled acreage is limited to 1,920 acres statewide. The property must also be managed under a qualifying forest management plan that was developed by a DNR approved forest management plan writer within the last ten years.

A property that is improved with a structure that is not a minor ancillary non-residential structure, or an improved building site that provides water, sewer, or electrical hookups, will be split-classified, with 10 acres being assigned to the structure. **Minor ancillary nonresidential structures are sheds or other primitive structures, the aggregate size of which are less than 300 square feet that add minimal value and are not used residentially; provided the occasional overnight use for hunting or other outdoor activities shall not preclude the structure from being considered a minor, ancillary structure.**

Property receiving this classification cannot be enrolled in the Sustainable Forest Incentive Act (SFIA) program, CRP, CREP, RIM, or the Green Acres program.

The DNR must confirm that the property qualifies and will annually verify that the property continues to qualify for the classification.

## Required Attachments

You must attach the following to your application:

- A copy of your property tax statement for each parcel of land you list on the application, and
- A copy of your forest management plan that has been developed or updated by a DNR-approved plan writer within the last 10 years. The plan must contain clear and accurate information, including maps that clearly define what property will be included in the 2c Managed Forest Land classification. The forest management plan must also be registered with the DNR.

## Due Date

Your application and all required attachments are to be sent to the county assessor by no later than May 1, for taxes payable the following year.

Applications received after May 1 will be denied for that year. If all the required information and attachments are not provided, your application will be delayed or denied.

## Instructions for Completing Form

### Landowner Information

Provide your name and address.

### Parcel Information

- **Column A:** Enter the property identification number (PID) for each parcel of land you wish to enroll. You can find the PID on the property tax statement for that parcel.

#### Also attach a copy of :

- The property tax statement for each parcel of land you are enrolling.
- **Column B:** List the total acreage of each parcel. Round the amount of acres to the nearest whole acre.
- **Column C:** List the number of acres that you wish to enroll for the 2c classification for that particular parcel. Round the amount of acres to the nearest whole acre.

## Signature and Verifications

Mark the appropriate boxes and provide the year your forest management plan was developed. Make certain that you attach all of the required documentation.

By signing the application you are:

- Declaring the form is correct and complete to the best of your knowledge,
- Certifying that you are the owner or authorized representative of the entity that owns the land,
- Agreeing to follow the provisions of the land's forest management plan, and
- Certifying that the land is not enrolled in the Sustainable Forest Incentive Act (SFIA) program, CRP, CREP, RIM, or the Green Acres program.

Your signature is required. An unsigned application is considered incomplete.

## Making False Statements on this Application is Against the Law

Minnesota Statute 609.41 states that anyone giving false information in order to avoid or reduce their tax obligations is subject to a fine of up to \$3,000 and/or up to one year in prison.

## Use of Information

The information on this form is required by Minnesota Statutes, section 273.13 to properly identify you and determine if you qualify for this property tax classification. If you do not provide the required information, your application may be delayed or denied. Your County Assessor may also ask for additional verification of qualifications.

## Information and Assistance

Contact your County Assessor's Office for assistance.