

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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**TO:** Assessing Officials  
**FROM:** Barry Wood, Assessment Division Director *JBW*  
**RE:** Woodlands Guidance  
**DATE:** November 9, 2010

The purpose of this guidance is to provide direction on the necessary documentation for woodland assessment for land ineligible for classification in the Classified Forest and Wildlands Program or landowners who are uninterested in enrolling in that program. In February 2008, the Department of Local Government Finance ("Department"), in cooperation with the Department of Natural Resources Division of Forestry ("DNR"), issued guidance on the classification and valuation of agricultural land (see [http://www.in.gov/dlgf/files/Memo\\_020808WoodlandPricing-FINAL\\_2\\_with\\_Examples.pdf](http://www.in.gov/dlgf/files/Memo_020808WoodlandPricing-FINAL_2_with_Examples.pdf)). Land, including woodlands, is assessed based on its use.

DNR's "Classified Forest and Wildlands Program" (see <http://www.in.gov/dnr/forestry/4801.htm>) encourages timber production, watershed protection, and wildlife habitat management on private lands in Indiana. Program landowners receive a property tax reduction in return for following a professionally written management plan. The minimum requirement for program enrollment is 10 acres of forest, wetland, shrubland, and/or grassland. DNR's policy has been to provide assistance to landowners with 10 acres or more. Property in the Classified Forest and Wildlands Program is assessed at \$1 per acre.

Even though property may not be enrolled in the Classified Forest and Woodlands program, it still can be assessed as woodlands. According to the *Real Property Assessment Guidelines for 2002*, "Woodland" is defined as: "land supporting trees capable of producing timber or other wood products. This land has 50% or more canopy cover or is a permanently planted reforested area. This land use type includes land accepted and certified by the Indiana Department of Natural Resources as forest plantation under guidelines established to minimize soil erosion. An 80% influence factor deduction applies to woodland."

Documentation to be considered in the determination of woodland includes, but is not limited, to the following:

- A **stewardship plan** with a primary objective of producing timber. The plan must be prepared by a professional forester. At a minimum, the plan is required to include:
  - A listing of landowner objectives, one of which must be timber production;
  - The current condition of the existing forest resource;
  - The future desired condition of the forest; and
  - A list of management activities needed to reach the future desired condition.

DNR's Division of Forestry can provide a stewardship plan template for use by professional foresters. The Division of Forestry can provide stewardship plan writing on a limited basis. The Division's highest priority will be to service requests for enrollees into the Classified Forest and Wildlands program. Plan writing for assessment purpose will be handled as time permits. Private professional foresters can be contacted to provide stewardship plan development at the following website: <http://www.ag.purdue.edu/fnr/Documents/ForestersDirectory.pdf>. See pages 36 and 37 for a state map.

- An **active timber management program** in which timber production is the primary objective and not the length of time required for the timber to grow to maturity. Evidence of an active timber management program may include the following:
  - A timeline of management activities completed and planned. Typical management activities associated with forest management include the following:
    - Timber Stand Improvement (TSI): TSI includes activities that select for or improve the environment for crop trees such as grape vine control, pruning of crop trees in a plantation, deadening undesirable trees, and thinning.
    - Invasive species control: New species of plants, animals, and diseases are constantly being introduced into Indiana. Sometimes these species grow so fast that they out compete or infect and kill the forest trees and plants. Kudzu, tree of heaven, princess tree, Japanese honeysuckle, Japanese knotweed, and garlic mustard are examples of invasive plants that a landowner might do treatment against.
    - Access road establishment and improvement.
    - Timber inventory: A timber inventory measures a sample of trees in the forest to get an estimate of the species of trees present, the sizes of the trees, and volume of wood. Inventories are a tool to determine composition of the forest and help guide what management activities should be conducted.
    - Timber harvest.
    - Enrollment in a forestry related program.
  - Financial records documenting money invested in timber resource
    - Contracts with professional forester
    - Contracts for management activities such as timber stand improvement, road work, invasive species control, forest inventories
    - Receipts for the purchase of equipment or supplies for management activities
  - Documentation of past harvests
    - Sale notices
    - Sale contracts
    - Log yard tickets
    - Sale inventories
- Evidence that the forest area is part of **larger agricultural enterprise** (enrollment in programs which assign a "farm number" [Farm Services Agency - <http://www.fsa.usda.gov/FSA/webapp?area=fsahome&subject=landing&topic=landing>]).

If you have any assessment questions, please contact Barry Wood at [Bwood@dlgf.in.gov](mailto:Bwood@dlgf.in.gov) or 317.232.3762. If you have any questions for the Department of Natural Resources (Division of Forestry), please contact Brenda Huter at [Bhuter@dnr.in.gov](mailto:Bhuter@dnr.in.gov) or 317.232.0142.