

NH Department of Revenue Administration
Forest Conservation and Taxation

August 21, 2019

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Municipal and Property Division



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Rick Evans, Timber Tax Appraiser, Municipal and Property Division

HANDOUTS

- RSA 79
- Forms – PA-7, PA-6, PA-8, & PA-9 (2 versions handwritten & electronic)
- Timber Tax Law Synopsis
- Guide to Determining Stumpage Value
- Timeline
- Formula for Conversion
- Timber Tax Worksheet
- Sample Letters for municipalities

The screenshot shows the homepage of the New Hampshire Department of Revenue Administration. At the top, there is a navigation bar with the date "Wednesday, June 19, 2019" and links for "Individuals", "Businesses", "Tax Professionals", "Local Government", and "Transparency". A search bar is located in the top right corner. On the left side, there is a vertical menu with links: Home, About Us, Municipal and Property (highlighted with a red arrow), Laws and Rules, Forms and Instructions, TIRs and Declaratory Rulings, Publications and Presentations, Taxpayer Assistance, Frequently Asked Questions, Career Opportunities, and Contact Us. Below the menu are logos for "e-file New Hampshire", "PAY TAXES", and "GRANITE TAX CONNECT". The main content area features a "Welcome" section with the department's mission statement and a "New Hampshire Department of Revenue Administration" heading. Below this is an "Announcements and Notices" section with two items: "Manchester Man Sentenced To 16 Months For Scheme To Defraud State Of New Hampshire In Connection With Untaxed Tobacco Products" and "New Hampshire Department of Revenue is Proposing to Amend and Redopt with Amendments Rev 3200 (various) - Education Tax Credit Program Update". On the right side, there are three boxes: "Reminder Tool Due by July 15th Meals and Rentals Tax Returns and Payments", "How Do I?" with a list of links like "Register a business in NH?", "Access NH tax laws?", "File an appeal?", "Find a Form?", "Use Telefile?", "Get eFile help?", "Report Tax Fraud", "Request for Resale and Exempt certificates?", and "Make a Voluntary Disclosure?"; and "Quick Links" with links for "Related Links", "Overview of NH Taxes", "Taxpayer Bill of Rights", "2018 Legislative FN Quick Guides", and "Education Tax Credit".

The screenshot shows the "Municipal and Property" page of the New Hampshire Department of Revenue Administration. The page has a navigation menu on the left with links: Home, About Us, Municipal and Property, Laws and Rules, Forms and Instructions, TIRs and Declaratory Rulings, Publications and Presentations, Taxpayer Assistance, Frequently Asked Questions, Career Opportunities, and Contact Us. Below the menu are logos for "e-file New Hampshire", "PAY TAXES", "GRANITE TAX CONNECT", "FORMS AND INSTRUCTIONS" (highlighted with a red arrow), and "Municipal Property". The main content area is titled "Municipal and Property" and includes a search bar. The mission statement reads: "The mission of the Municipal and Property Division is to assure fairness, equity and proportionality in the assessment and collection of property taxes and the administration of municipal finances in the state by establishing tax rates, providing technical assistance and education to municipal officials, monitoring revaluations, reviewing assessment practices, equalizing local assessed valuation, appraising public utility and railroad property, and administering timber and gravel taxation." Below this is a "Director James Gerry" section with a portrait photo. The "Municipal" section describes the division's role in establishing and approving municipal, school, county, state and village district tax rates and provides technical assistance. It lists other services performed, including prescribing a uniform chart of accounts, establishing a standard technical assistance manual, reviewing trustee reports, and conducting workshops. The "Property" section describes the division's oversight of assessment review and equalization bureaus and lists responsibilities such as monitoring revaluations, providing timber and gravel excavation assistance, and assessing standards. At the bottom, it states: "Assessment Review is the process of reviewing the assessing practices of each NH municipality over a five-year cycle."

Wednesday, June 19, 2019

Individuals | Businesses | Tax Professionals | Local Government | Transparency

Municipal and Property - Property

The Municipal and Property Division assists and educates municipalities with the methods of appraisal and assessment of real property including exemptions and credits and current use. The division develops and produces educational classes on assessing related fields statewide. At no expense to the municipality, the division monitors revaluations for quality and accuracy and revises assessing contracts and makes recommendations thereon to municipalities RSA 21-3:11. The division performs reviews of municipalities' assessing practices according to guidelines set by the New Hampshire Assessing Standards Board (ASB) RSA 21-3:11-a. They equalize the local assessed valuation of each municipality to bring such valuations to the full and true market value of the property RSA 21-3:3, XIII. The Municipal and Property Division appraises public utility and railroad property for the statewide public utility tax RSA 82-F as well as the railroad tax RSA 82. Municipalities may also utilize these values for their public utility property. They also administer the Gravel and Timber Taxes.

- Abatements & Appeals**
View information about abatements and appeals.
- Assessing Standards Board (ASB)**
View information pertaining to the Assessing Standards Board including the ASB Reference Manual, Assessment Review, Members, Meeting Schedule and Minutes, Statutes (RSAs), Rules and contact information.
- Assessment Review**
Find Assessment Review reports and other information pertaining to the Assessment Review process.
- Current Use Board (CUB)**
View information about the Current Use Program, including Assessment Ranges, Booklets, Members, Meeting Schedule and Minutes, Statutes (RSAs), Rules and Contact Information.
- Education**
Find upcoming educational events, classes and mini-courses around the state in local municipalities being offered by the Municipal Property Division and other agencies and associations.
- Equalization**
Equalization is the process by which the New Hampshire Department of Revenue Administration makes adjustments to each municipality's locally assessed values to calculate the estimated 100% market value of the municipality. View statistical reports by tax year.
- Exemptions & Veterans Tax Credits**
Find information about elderly exemptions and Veterans' tax credits.
- Forms**
Find forms for exemptions and tax credits, current use, utility and railroad, and general assessing.
- Gravel**
Find information about excavation including statutory requirements, rules, local regulation, and alteration of terrain programs.
- Low Income Housing Tax Credit (LIHTC)**
Find statutes, forms, capitalization rates by county and a link to NH Housing for more information on the low income housing tax credit program.
- Low & Moderate Program**
Find the application for the Low and Moderate Tax Relief Program (DP-8), a link to check the status of your claim, answers to frequently asked questions, changes to procedures regarding the property tax relief claims and contact information.
- Revaluation & Monitoring**
Find Appraisal Companies and New Hampshire Department of Revenue Administration certified personnel, USPAP Compliance information, and examples of contracts for Full, Partial, and Cyclical Revaluations and Statistical Updates.
- Telecommunications Poles and Conduits**
- Timber**
Find information about the timber tax law, Notice of Intent to Cut, Report of Cut, average stumpage values, comparative stumpage values, conversion formulas, statutes, and rules.
- Utility & Railroad**
Find information about the utility and railroad tax, forms, statutes and meeting information.

e-file
PAY TAXES
GRANITE TAX CONNECT
FORMS AND INSTRUCTIONS
Municipal Property
M&R Operators
DRA ANNUAL REPORTS

Wednesday, June 19, 2019

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Property - Timber

To request a PA-8 Report of Wood Cut, please call (603) 230-5969.

Chapter 79: Forest Conservation and Taxation

- [Intent to Cut Numbering Instructions](#)
- [PA-7 - Notice of Intent to Cut Wood or Timber](#)

Yield Tax Billing Worksheets

- [Instructions](#)
- [Single Owner](#)
- [Single Owner/Doornance](#)
- [Multiple Owners \(Up to 4\)](#)

Timber Tax Information

- [Timeline for Timber Tax Reporting](#)
- [Timber Tax Law Synopsis](#)
- [Guide to Determining Stumpage Values](#)
- [Timber Tax Assessment Worksheet](#)
- [Average Stumpage Values](#)
- [Comparative Stumpage Value List](#)
- [Conversion Formulas](#)
- [Statutes \(RSAs\)](#)
- [Rules](#)
- [Timber Districts](#)

e-file
PAY TAXES
GRANITE TAX CONNECT
FORMS AND INSTRUCTIONS
Municipal Property
M&R Operators

- New Hampshire is not the only state to tax timber
 - This is a partial list of states have some form of severance tax
 (Timber is “released from the general property tax” RSA 79-2)
- Timber is assessed in the same manner as other real estate – market value - *at the time of cutting.*
- The Notice of Intent to Cut is the official notice to the assessing officials that timber will be cut.

STATE	SEVERANCE TAX AMOUNT
California	2.90%
Connecticut	2.0% - 10.0%
Idaho	3.0%
Illinois	4.0%
Louisiana	2.50% - 5.0%
Massachusetts	5.0%
Michigan	5.0%
Minnesota	2.0% - 10.0%
Missouri	6.0%
New Hampshire	10.0%
New Mexico	0.125%
New York	6.0%
North Carolina	6.0%
Washington	5.0%
West Virginia	3.22%
Wisconsin	5.0%

STATE OF NEW HAMPSHIRE
Notice of Intent to Cut Wood or Timber **A**

This notice must be filed by every owner of growing wood or timber which is being cut on April 1, 1950. Notice must also be given on this form by the owner of growing wood and timber before any cutting thereof is begun after April 1, 1950. A separate notice must be filed for each cutting operation which is in progress on April 1st and for each cutting operation begun after that date. If operation extends into two or more towns a similar notice must be filed in each town. Failure to file a notice of intent to cut as required by statute provides an abatement for improved forest practices and the owner may be subject to a fine not to exceed five hundred dollars.

To the Board of Selectmen (Assessors) Town of _____ New Hampshire

Pursuant to Section 8, Chapter 286, Laws of 1949, you are hereby notified that I (we) am (are) the owner as defined in Section 1, Chapter 28-A, of standing wood and/or timber described below, and intend to cut the amounts estimated from the lot described hereafter, and am (are) responsible for the payment of any local tax which may be assessed.

DESCRIPTION OF LOT

Name by which lot or lots are known: _____ Area 100 Acres
 Name of road from which accessible: Black Pond Road Type of road: 100 Miles. If area to be cut over extends into other towns, give names of towns: _____
 Distance to cutting from public highway: _____ Miles. If area to be cut over extends into other towns, give names of towns: _____
 Check type of operation lot provides: Good Average Poor

DESCRIPTION OF OWNERSHIP

Type of ownership: (check one) Absolute owner of land and stumpage
 Owner of stumpage alone Right of possession with authority to cut

When did you acquire the right signified in the preceding question: March 3, 1949
 If purchased did you buy: Land and stumpage Stumpage only with right to cut
 If only stumpage was bought, what was price paid per M or per Cord \$: _____
 If operation will extend beyond October 1, give estimate of probable completion: _____
 If rights of owner were acquired by contract prior to April 5, 1949, give date: March 3, 1949

DESCRIPTION OF TIMBER TO BE CUT

Kind	Estimated Amount	Estimated Stumpage Value
Softwood:		
<u>Pine, Spruce & Hemlock</u>	<u>25</u> M bd. ft.	<u>14</u> Per M bd. ft.
<u>Birch, Ash & Maple</u>	<u>75</u> " " " "	" " " "
Hardwood:		
Cords		Per cord
" " " "		" " " "
Cordwood:		
" " " "		" " " "
" " " "		" " " "

Will any of the wood or lumber cut be used for the construction or alteration of your own buildings or for fuel for yourself? No

Will application for abatement be made for approved forest practices? _____
 Date: June 1st, 1950
 Street Address: Hillboro Town or City: _____ Signature: R. H.
(Send A and B copies of this form to Selectman, retain C for your records. If cutting is in an unincorporated place send A and B copies to the State Tax Commission, Concord, N. H.)

RSA 79:1 - Definitions

I. "Assessing Officials"

- Those charged by law with duty of assessing taxes (city, town or unincorporated place).

II. "Owner"

- (1) "For purposes of joint tenants or joint tenants with rights of survivorship, every owner that holds title to the subject property."
- (2) **"For purposes of tenants-in-common, any one or more of the tenants-in-common that hold title to the subject property."**
- (3) "A previous owner who retains timber rights to land and registers his or her claim with the registry of deeds."
- (4) "Any person who has purchased stumpage and cutting rights on public lands."

IMPORTANT OWNER DEFINITION CHANGES

*****TENANTS-IN-COMMON*****

"For purposes of RSA 79:10, I(a), any one or more of tenants-in-common may sign an intent to cut. Provided, however, that non-signing tenants-in-common shall have been notified by certified mail by the applicant of the intent to cut at least 30 days prior to cutting and that a bond or surety is filed to secure payment of the yield tax if any tenant-in-common does not sign or give a power of attorney to sign a notice of intent to cut." (Emphasis added).

RSA 79:1 - Definitions

II. (b) {exemptions}

- This section defines who does not have to file the intent and who is not subject to the tax. This will be discussed in detail.

III. “Stumpage Value”

- Market value of timber standing on the stump at time of cut.

IV. “Tax Year”

- April 1 through March 31

V. {repealed}

VI. “Short Rotation Tree Fiber Farming” &

VII. “Genetically-engineered Tree”

- Production of genetically-engineered tree species used for fiber that are harvested every 15 years are not subject to the Yield Tax. (RSA 79:2)

RSA 79:1 - Definitions

VIII. “Sugar Orchard”

- Source of sap for the production of maple syrup & products.
- Actively used – substantial portion of trees tapped at least once every three years.
- Stand – area or stand, containing 50% or more red and sugar maple, clearly established boundaries & defined area as certified by a licensed forester.
- Individual trees out side of stand - tapped once within three years prior to the filing the intent.
- Trees harvested from sugar orchards for the purpose of enhancing sap production are not subject to the Yield Tax RSA 79:2.

Rev 3400 Definitions

Rev 3401.01 “Average stumpage value list” means the published range of stumpage values for the various species of wood or timber as derived from surveys conducted twice per year by the department.

Rev 3401.02 “Commissioner” means the commissioner of the New Hampshire department of revenue or the commissioner’s designee.

Rev 3401.03 “Cordwood and fuel wood” means wood that is cut into specified lengths, or tree length, to be used in woodstoves and wood furnaces for heating purposes or used in the production of maple syrup.

Rev 3401.04 “Department (DRA)” means the New Hampshire department of revenue administration.

Rev 3401.05 “Extension” means written notification to the municipal assessing officials by the owner, no later than March 31, that the cutting operation will extend beyond April 1.

Rev 3401.06 “High grade spruce/fir” means tree length spruce or fir that is sold to sawmills as sawlogs and does not include spruce or fir that is sold as pulpwood to pulpmills or pulp yards.

Rev 3401.07 “MBF” means the number of board feet of saw logs expressed in thousands or a fraction thereof.

Rev 3401.08 “Municipal assessing officials” means those charged by law with the duty of assessing taxes for a municipality where the property is located as:

- (a) Governing body of a municipality;
- (b) Board of assessors or selectmen of a municipality; or
- (c) County commissioners of an unincorporated place.

Rev 3401.09 “Municipality” means a city, town, or unincorporated place.

Rev 3401.10 “Original” means the first filing by an owner in a tax year of Form PA-7, “Notice of Intent to Cut Wood or Timber”, containing original signatures of the municipal assessing officials, in the municipality where the cutting of wood is to take place.

Rev 3401.11 “Owner” means owner as defined in RSA 79:1, II such as:

- (a) Any person or persons who own the land, including joint tenants or joint tenants with rights of survivorship, upon which wood or timber is cut;
- (b) Any person or persons who hold title to the land as tenants-in-common;

Rev 3401.11 “Owner” continued:

- (c) A previous owner who retains timber rights to land and who registers their claim with the registry of deeds;
- (d) Any person who has purchased stumpage and cutting rights on public lands; or
- (e) Any person clearing or maintaining rights-of-way that sells or agrees to sell the wood or timber.

Rev 3401.12 “Pallet, tie” means all sawlogs listed on mill scale slips as either pallet, tie, or box grades.

Rev 3401.13 “Public lands” means land owned by:

- (a) The federal government;
- (b) The state government;
- (c) Cities;
- (d) Towns;

Rev 3401.13 “Public lands” continued:

- (e) School districts; or
- (f) Other political subdivisions.

Rev 3401.14 “Pulpwood” means smaller, lower quality timber used with the principal purpose of making wood pulp for paper production or, for raw material for wood products such as, but not limited to oriented strand board.

Rev 3401.15 “Sawlog” means all grades of sawlogs listed on mill scale slips other than pallet, tie, mat logs or box grades.

Rev 3401.16 “Shade and ornamental trees” means trees that are within striking distance of a maintained permanent structure and that are solely maintained by the owner for shade or ornamental purposes.

Rev 3401.17 “Stumpage value” means the market value of uncut standing timber at the time that the timber is cut.

Rev 3401.18 “Supplemental” means a subsequent filing by an owner, in a tax year, of Form PA-7, “Notice of Intent to Cut Wood or Timber”.

Rev 3401.19 “Tax year” means the time period beginning April 1 of any year and ending March 31 of the next year, inclusive.

Rev 3401.20 “Yield tax” means the 10% tax assessed upon the stumpage value of wood or timber cut during a tax year pursuant to RSA 79:3. The term includes “timber tax”.

Rev 3401.21 “Whole tree chips” means wood that is processed through a wood chipper or grinder at the site of the logging operation that is used primarily as fuel for wood burning energy plants or other similar purposes.

Exemptions From Intent to Cut and Yield Tax

Timber on all land ownership is taxable at 10% of stumpage value at the time of cutting, except the following:

1. 10 MBF saw logs and 20 cords fuel wood (unlimited fuel wood for maple syrup production) for personal use by the owner. RSA 79:1 II,(b), (1) & (2).
2. 10 MBF saw logs and 20 cords (or the equivalent in whole tree chips) of wood for land conversion purposes when all permits for the conversion have been received. RSA 79:1 II,(b), (5).

Exemptions From Intent to Cut and Yield Tax (Cont'd.)

3. Government & School Districts that cut wood for their own use within their own jurisdiction. RSA 79:1, II, (b), (3).
4. Clearing or maintaining public right of ways or public water storage reservoirs where the wood is not sold. (Person clearing or caused clearing who sells the wood becomes the owner.) RSA 79:1, II, (b), (4).
5. Shade and ornamental trees. RSA 79:2.
6. Christmas trees, fruit trees, nursery stock and short rotation tree fiber. RSA 79:2.

Rev 3407 Exemptions From Yield Tax

Rev 3407.01 “Exemptions. Owners shall be exempt from filing Form PA-7 and shall be exempt from the yield tax pursuant to the following:”

- * This section of the rule explains, in detail, each RSA 79 exemption that was just previously discussed.

Form PA-7 Intent To Cut Wood Owner Responsibility

- Original Notice of Intent to Cut Wood or Timber (Form PA-7) RSA 79:10, I, (a):
 - Starting a cutting operation before the intent is signed is a violation.
 - Cutting is limited to original volume estimate.
- Supplemental Notice of Intent to Cut Wood or Timber RSA 79:10, I, (a):
 - Volume exceeding original volume estimate by 25 % within the same tax year.
 - Failure to file supplemental intent is a violation.

Rev 3402.01 Owner Requirements for Completing and Filing Form PA-7, “Notice of Intent to Cut Wood or Timber”.

- Every owner must file unless exempt;
- A separate Intent for each municipality;
- Separate Intent requirements (ownership, not contiguous);
- No cutting until the Intent is signed by municipal officials;
- Need supplemental if exceeding original estimate;
- Need extension to cut after March 31st & finish by June 30;
- Intent filed and property is sold procedure;
- Active cut and logger is terminated Intent procedure;
- Clearing/cutting on ROW needs one Intent in each town.

Tax Responsibility RSA 79:1, II, (a)

- Types of Ownership (Taxpayers):
 - Landowners with timber rights on their own land.
(remember new definition – tenants-in-common)
 - Persons with deeded timber rights on land they previously owned and has registered claim w/ registry of deeds.
 - Persons purchasing timber on public lands; Federal, state, county, town, etc., or Utility Easements.

Rev 3402.02 Owner Requirements Signing Form PA-7, “Notice of Intent to Cut Wood or Timber”.

- Describes who has to sign for the type of ownership;
- Describes the “tenants-in-common” ownership signing;
- Describes the owner of timber rights signing;
- Describes “owner” cutting on public lands signing.

Form PA-7 Intent To Cut Wood Municipal Responsibilities

- 15 days to sign Intent to Cut or to notify owner in writing the reason Intent has not been signed RSA 79:10, I ,(b).
- May decline to sign Intent for only the following reasons:
 - Form being improperly filled out RSA 79:10.
 - Land is enrolled in the unproductive current use category that does not allow timber harvesting RSA 79-A:2, XIII & Cub 305.02,(b).
 - A timber tax bond is required but has not been posted RSA 79:1, II, (a), (2), RSA 79:3-a & RSA 79:10-a.
 - All owners of record have not signed the Intent to Cut RSA 79:1, II & 79:10, I, (a).

Form PA-7 Intent To Cut Wood Municipal Responsibilities

- 15 days from receipt to notify owner of timber bond amount if applicable RSA 79:10-a.
- Original signed intents are assigned an “operation” number by the municipality.
- Once signed, within 15 days, the assessing officials forward a copy to the DRA, the owner upon request, and the Tax Collector RSA 79:10, I,(c).
- Supplemental intents are processed in same manner using the “original” operation number assigned to the job.

Rev 3402.03 Municipal Assessing Officials Procedure for Approval of Form PA-7, “Notice of Intent to Cut Wood or Timber”.

- * This section of the rule explains, in detail, the procedure for the approval of the PA-7 or for the denial of the PA-7.

Rev 3402.04 Municipal Assessing Officials Procedure for Distribution of Form PA-7, “Notice of Intent to Cut Wood or Timber”.

- * This section of the rule details the distribution of the signed PA-7.

Timber Tax Bond RSA 79:10-a

- Owners who:
 - Own land in the town where the timber cutting is to take place and are current on timber and property tax on all of their property, cannot be required to post a bond.
 - Signatures - Owners who are tenants-in-common and all owners have signed the intent - no bond.
- All other owners:
 - Must post a timber tax bond before Intent to Cut is signed and an operation number is assigned.
- Timber tax bonds are usually equal to the expected timber tax.

Rev 3405.01 Bonding or Other Security.

- * This section of the rule further clarifies who needs to file a bond or other security and also specifies that the amount of the bond or other security is based upon the anticipated yield tax due from the intended cut.

Rick Evans, Timber Tax Appraiser, Municipal and Property Division

FORM
DT-2
YR _____ TOWN _____ DPW _____

PLEASE TYPE OR PRINT (if filing in form on-line, use **256** key to move through fields)

1. Town/City of: _____

2. Tax Map/Block/Lot or USFS Sale Name & Unit No. _____

3. Intent Type: Original Supplemental (Original Intent Number) _____

4. Name of Access Road: _____

5a. Acreage of Lot: _____ Acreage of Cut: _____

5b. Anticipated Start Date: _____

6. Type of ownership (check only one):
 a. Owner of Land and Stumpage (Sole Owner)
 b. Owner of Land and Stumpage (Joint Tenants)
 c. Owner of Land and Stumpage (Tenants in Common)
 d. Previous owner retaining desired timber rights
 e. Owner/Purchaser of stumpage & timber rights on public lands (Fed., State, municipal, etc.) or Utility Easements

REPORT OF CUT / CERTIFICATE TO BE SENT TO:
 OWNER OR LOGGERS / FORESTER
 BY MAIL OR E-MAIL

7. I/we hereby accept responsibility for reporting all timber cut within 60 days after the completion of the operation or by May 15, whichever comes first. (We also assume responsibility for any audit fee which may be assessed. (If a corporation, an officer must sign.)
 Attach a signature page for additional owners.

SIGNATURE (in ink) OF OWNER(S) OR CORPORATE OFFICER(S): _____ DATE SIGNED: _____

PRINT CLEARLY OR TYPE NAME OF OWNER(S) OR CORPORATE OFFICER(S): _____

SIGNATURE (in ink) OF OWNER(S) OR CORPORATE OFFICER(S): _____ DATE SIGNED: _____

PRINT CLEARLY OR TYPE NAME OF OWNER(S) OR CORPORATE OFFICER(S): _____

MAILING ADDRESS: _____
 CITY OR TOWN: _____ STATE: _____ ZIP/PO BOX: _____
 PHONE NUMBER (area number without dashes): _____ CELL PHONE NUMBER (without dashes): _____

FOR MUNICIPAL ASSESSING OFFICIALS ONLY

The State and Municipal Assessing Officials hereby certify that:
 1. All owners of record have signed the Intent.
 2. The land is not under the Current Use Unproductive category.
 3. The form is complete and accurate, and

4. Any timber tax bond required has been received.
 5. The tax collector will be notified within 30 days of receipt pursuant to RSA 79:10.
 6. This form to be forwarded to DRA within 30 days.

SIGNATURE OF MUNICIPAL ASSESSING OFFICIAL: _____ DATE: _____
 SIGNATURE OF MUNICIPAL ASSESSING OFFICIAL: _____ DATE: _____
 SIGNATURE OF MUNICIPAL ASSESSING OFFICIAL: _____ DATE: _____

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
NOTICE OF INTENT TO CUT WOOD OR TIMBER
 For Tax Year April 1, _____ to March 31, _____

8. Description of Wood or Timber To Be Cut

Species	Estimated Amount To Be Cut
White Pine	MBF
Hemlock	MBF
Red Pine	MBF
Spruce & Fir	MBF
Yeast Spruce	MBF
White Birch	MBF
Yellow Birch	MBF
Oak	MBF
Ash	MBF
Soft Maple	MBF
Balsam Poplar & Mill Layer	MBF
Pine/Fir	MBF
Other (Specify): _____	MBF
Pulpwood	Tons
Spruce & Fir	
Hardwood & Aspen	
Pine	
Hemlock	
Birch/Chips	
Miscellaneous	
High Grade Spruce/Fir	Tons
Cordwood & Fuelwood	Cords

9. Species and Amount of Wood or Timber For Personal Use or Exempt/See exemptions on back of form.

Species	Amount

10. By signing below, the Logger/Forester or person responsible for cutting hereby accepts responsibility for verifying the volumes of wood and timber to be reported by the owner, and certifies that they are familiar with RSA 227-A, the timber harvest laws.

SIGNATURE (in ink) OF PERSON RESPONSIBLE FOR CUT: _____ DATE: _____

PRINT CLEARLY OR TYPE NAME OF PERSON RESPONSIBLE FOR CUT: _____

MAILING ADDRESS: _____
 CITY OR TOWN: _____ STATE: _____ ZIP/PO BOX: _____
 PHONE NUMBER: _____ E-MAIL ADDRESS: _____

PA-7
Rev 24/2019

Rick Evans, Timber Tax Appraiser, Municipal and Property Division

TIMBER INTENTS

TOWN: «TN»

YEAR	TOWN	DP #	MAP & LOT	OWNER'S NAME	LOGGERS NAME	DATE INTENT SIGNED	DATE REPORT RECEIVED	DATE BILLED
05	«TC»	01	T					
05	«TC»	02	T					
05	«TC»	03	T					
05	«TC»	04	T					
05	«TC»	05	T					
05	«TC»	06	T					
05	«TC»	07	T					
05	«TC»	08	T					
05	«TC»	09	T					
05	«TC»	10	T					
05	«TC»	11	T					
05	«TC»	12	T					
05	«TC»	13	T					
05	«TC»	14	T					
05	«TC»	15	T					
05	«TC»	16	T					
05	«TC»	17	T					
05	«TC»	18	T					
05	«TC»	19	T					
05	«TC»	20	T					
05	«TC»	21	T					
05	«TC»	22	T					
05	«TC»	23	T					
05	«TC»	24	T					

SUPPLEMENTAL INTENTS SHOULD BE ATTACHED TO THE ORIGINAL AND BE ASSIGNED THE SAME OPERATION NUMBER
APPROPRIATE COPIES OF SUPPLEMENTAL INTENTS SHOULD BE SENT TO THE DEPARTMENT OF REVENUE

Form PA-7 Intent To Cut Wood

- Jobsite Posting RSA 79:10, I, (d):
 - Certificate (PA-6) issued by DRA posted at site.
 - Copy of Intent signed by assessing officials with operation number assigned.
 - Copy of Intent verified by municipal employee with operation number, date & time, and name of municipal official that provided information.
 - Note: Failure to post is a violation.
- Intent information is provided to the Forest Rangers (DNCR) by the DRA.

Rev 3404.01 Posting Required.

- * Describes in detail what needs to be posted on the property, by whom, and where and when it is posted.

Extension of Cut RSA 79:10, II and RSA 79:11, II

- An extension of a cutting operation is allowed upon written request by the owner to the assessing officials no later than March 31st of the tax year.
- If no extension is requested, cutting must cease by March 31st and a new original Intent must be filed for the new tax year if cutting will continue.
- An extension allows the existing cutting operation to continue through June 30th.
- If the cutting will continue after June 30th, a new original Intent must be filed.

Rev 3402.01

- (g) An owner of a cutting operation for which a Form PA-7 has been filed and signed by the municipal assessing officials shall not continue cutting after March 31 without filing an extension or without obtaining a newly signed original Form PA-7 for the new tax year.
- (h) Within a tax year, if the owner has sent the municipal assessing officials a written notice of extension dated no later than March 31, a cutting operation for which the Form PA-7 has been filed and signed by the municipal assessing officials may continue cutting until June 30 without obtaining a newly signed original Form PA-7 for the new tax year.

Form PA-8 Report of Wood Cut RSA 79:11

The Report of Cut (Form PA-8) serves as the basis for determining the timber Yield Tax.

- Mailed to individual by DRA as indicated on Intent to Cut.
- Must be filed with the municipality within 60 days of completion of cut, or by May 15th , whichever comes first (without an extension).
- With an extension, the report must be filed no later than August 15th .
- Report required if no wood is cut.
- Property ownership changes – report must be filed by the “owner” as indicated on the intent.
- Reports must be signed by the owner and person responsible for the cut (logger/forester).

Form PA-8 Report of Wood Cut RSA 79:11

- Copies of the completed report are to be sent to the DRA.
- The DRA will provide the forest rangers (DNCR) a copy.
- Special Assessment (RSA 79:11-a)
 - May assess when completed or terminated when collection is in jeopardy.

Rev 3403.03 DRA Distribution Procedure for Form PA-8, “Report of Wood or Timber Cut”

- * This section details that upon receipt of the PA-7 Intent to Cut Wood or Timber, the DRA, at no expense to the owner or the logger, sends a PA-8 to the person specified.

Rev 3403.01 Owner Requirements for Filing Form PA-8, “Report of Wood or Timber Cut”

This section details the report filing requirements for:

- When the operation ceases;
- When the property sells;
- The termination of the logger or person responsible for the cut;
- Extensions;
- Located in more than one municipality;
- No wood cut.

Rev 3403.02 Owner Requirements for Completing Form PA-8, "Report of Wood or Timber Cut".

This section details the requirements for completing the various sections of the PA-8 including: cutting completion dates, acres cut, names of sawmills, species and volume of wood cut, who needs to sign, etc. It follows the existing form.

Normal Yield Tax RSA 79:3

- 10% of the stumpage value at the time of cutting.
- Assessed by the municipal assessing officials within **30 days after receipt** of the report of timber or wood cut.

Rev 3406.01 Assessment of Yield Tax.

- Based upon 10% of stumpage value;
- State and Federal Sales use Bid Prices
- Assessed within 30 days of receipt of the PA-8;
- Factors to consider in determining the amount of tax;
- Doomage

Fines, Doomage & Enforcement

RSA 79:12, RSA 21:J-39, RSA 79:38, and RSA 79:28-a

NON-COMPLIANCE

- Misdemeanor criminal fines range up to \$2,400.00.
- Violation fines range up to \$1,200.00.

DOOMAGE

- Two times what the tax would have been assessed if the Report of Cut had been seasonably filed and truly reported.

ENFORCEMENT

- Department of Revenue Administration (DRA) and Division of Forests and Lands (DNCR) have the authority to issue a cease and desist for any cutting operation not in compliance with RSA 79.

FORM 2018
NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
REPORT OF WOOD OR TIMBER CUT
RSA 79:1
See instructions on back of form

OPERATION # - T For Tax Year

Mailing Address:

1. City/Town of: _____
2. Tax Map/Lot # or USFS sale name/und #: _____
3. Exact Acreage of Cut: _____
4. Is the cutting complete? Yes No
5. If yes, date cutting was completed? _____
6. Names of ALL purchasers that the forest products were sold to:

SPECIES	EXACT SCALE CUT USE INTERNATIONAL 1/4 RULE LOG SCALE			
	MBF	MBF	MBF	MBF
White Pine				
Hemlock				
Red Pine				
Spruce & Fir				
Hard Maple				
White Birch				
Yellow Birch				
Oak				
Ash				
Soft Maple				
Beech/Palm/Tw Logs				
Others (Specify)				

7. I hereby report the wood or timber cut under penalty of perjury, in a separate or other receipt.

SIGNATURE (IN INK) OF OWNER(S) OR CORPORATE OFFICER DATE
SIGNATURE (IN INK) OF OWNER(S) OR CORPORATE OFFICER DATE
CORPORATE OFFICER NAME AND TITLE DATE
PRINT CORP/OWNER NAME - (When 2 signatures page for multiple owners)
MAILING ADDRESS
CITY/TOWN STATE ZIP CODE
TELE NO. DATE

8. Description of Wood or Timber Cut

SPECIES	EXACT SCALE CUT USE INTERNATIONAL 1/4 RULE LOG SCALE			
	MBF	MBF	MBF	MBF
White Pine				
Hemlock				
Red Pine				
Spruce & Fir				
Hard Maple				
White Birch				
Yellow Birch				
Oak				
Ash				
Soft Maple				
Beech/Palm/Tw Logs				
Others (Specify)				

9. Species and Amount of Wood or Timber for Personal Use or Exempt. See exemptions on back of form.

SPECIES	Amount

10. Under penalty of perjury, I (the logger/forester or person responsible for cutting) declare that all information in Sections 6, 8, & 9 are true and correct.

SIGNATURE (IN INK) OF LOGGER/FORESTER RESPONSIBLE FOR CUTTING DATE

PENALTY: Pursuant to RSA 21-J:39, a person who fails to file a Report of Wood or Timber Cut with the proper assessing officials or fails to send copies to the Department of Revenue Administration, in accordance with RSA 79:1, may be guilty of a misdemeanor.
DOOMAGE: If an owner neglects to file a report or willfully falsifies a report, the assessing officials shall assess dooimage which is two times what the tax would have been if the report has been properly filed. Refer to RSA 79:12 for the complete statute on dooimage.

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Assessing Timber Value RSA 79:1, III

Determining Factors of Value

- Quality, location and size of sale as determined by assessing officials:
 - Quality – height, diameter, defect.
 - Location – access to public roads, physical geography.
 - Size – economy of scale.
 - Other factors which may affect value.
- Points to Consider:
 - Most probable price that would be paid.
 - Highest and best use.
 - Use bid prices on State and Federal Sales

Assessing Timber Value

RSA 79:1, III

Determining Factors of Value

- Points to Consider, continued:
 - Value before Forester administrative fees.
(Similar to a real estate commission)
 - Exposed to open market.
 - Incidental services received.
- Documentation to Support Value:
 - Contracts.
 - Comparative / Competitive bid results.
 - Road, building, maintenance costs.

TIMBER TAX ASSESSMENT WORKSHEET

Town: YOUR TOWN Owner: JOHN DOE
 Oper #: 1234 Tax Year: 2002-2003
 Acreage of lot: 50 Map/Lot #: 5.6

	POOR	AVERAGE	GOOD
Quality of Timber (Height, Diameter, Defect)	0	1	2
Location of Timber (Access, Restrictions, Physical Geography)	0	1	2
Size of Sale (Acreage of lot, Volume per acre)	0	1	2
Total Rating			3

Rating	Percentage Within Range
0	0%
1	17%
2	33%
3	50%
4	66%
5	83%
6	100%

Example: White Pine Stumpage DTA range \$80.00-\$100.00/MBF with the quality, location and size of the sale and average, poor and large, respectively. The calculated scale would be **1 for quality, 0 for location, and 2 for size of sale, for a total of 3 out of a maximum possible of 6 or 50%**. 50% of the difference (\$100.00) between \$80.00 and \$130.00 is \$50.00 which, when added to the base of \$80.00 arrives at an assessment of \$130.00 per MBF for White Pine Stumpage with these specific attributes.

Certification of Yield Taxes Assessed RSA 79:19

- The assessing officials shall certify to the DRA the Yield (timber) Tax assessed (Form PA-9).
- The PA-9 is filled out and calculated manually by the municipality.
- The DRA has a Microsoft Excel spreadsheet called “Timber Tax Bill Worksheet” which is intended to assist the municipality in the calculation and certification of the Yield Taxes. The worksheet and instructions are available on the DRA website.

Rev 3406.02 Form PA-9, Certification of Yield Taxes Assessed.

*This section details the dates that the assessing officials certify to the DRA the Yield Taxes assessed.

Yield Tax Billing and Collection RSA 79:3 and RSA 79:6

- Yield Tax shall be assessed within 30 days of receipt of report of wood cut at 10% of timber value.
- Interest on Yield Tax is 18% after due date.
- Cutting of timber creates a lien on the land and continues 18 months following receipt of the Report of Cut.

Yield Tax Appeal Process RSA 79:8

1. Appeal in writing to the municipality within 90 days of tax bill.
2. If municipality denies appeal, taxpayer may then appeal to the Board of Tax and Land Appeals (BTLA) or Superior Court within 6 months of tax bill for a hearing.
3. Burden of proof is on the owner.

Forms and Information

DRA

- Notice of Intent to Cut (PA-7) – On line at DRA website (also available at municipal offices)
- Report of Wood or Timber Cut (PA-8) – Not on line.
- Timber Tax Certificate (PA-6) – Not on line.
- Certification of Yield Tax Assessed (PA-9)

DRA or ON-LINE: www.nh.gov/revenue

- Guide to Determining Stumpage Value
- Average Stumpage Value Price Lists
- Timber Tax Time Line for Reporting
- NH Timber Tax Law Fact Sheet (Synopsis)

Additional Sources

- NH Municipal Association/Local Government Center
- Consulting Foresters
- UNH Cooperative Extension
- NH Division of Forests and Lands (DNCR)
- NH Timber Owners Association

DRA - Will hold a training class in municipalities upon request.

Questions?

Call 603-230-5952

Rick Evans, Timber Tax Appraiser
Rick.Evans@dra.nh.gov