



Qualified Forest Program

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The Qualified Forest Program (QFP) provides a property tax exemption for private landowners who actively manage their forestland for commercial harvest. The goal of the program is to fuel regional economies through timber harvest and individual tax savings.

IMPACT FOR MICHIGAN:

More than 10 million acres of forested land in Michigan is owned by “non-industrial” private landowners. These lands are currently harvested at 1/3 the rate of forest growth, and consequently, millions of dollars of timber that could be harvested is going unutilized. By helping landowners manage their forestland, it is estimated the QFP will stimulate over 900 additional forestry-related jobs, \$195 million in business revenue, and \$44 million in labor income.

2018 ACCOMPLISHMENTS:

- Enrolled 52,930 new acres, bringing total participation to 497,745 acres.
- Passed Public Act 672 of 2018, increasing the current limitation of 1,200,000 acres of qualified forest property that can be exempted to 2,500,000 acres; eliminating the cap on the number of acres that may be enrolled per local unit of government; and clarifying the intent to bring wood products to market; and improving the administration of the program.
- Improved the functionality of the current database to provide meaningful data to partners in forestry.
- QFP and Forestry Assistance Program staff are continuing collaborative marketing efforts to landowners that may be eligible for program enrollment, based on acreage and property classification. Targeted efforts resulted in a 15% response rate from potential QFP landowners.

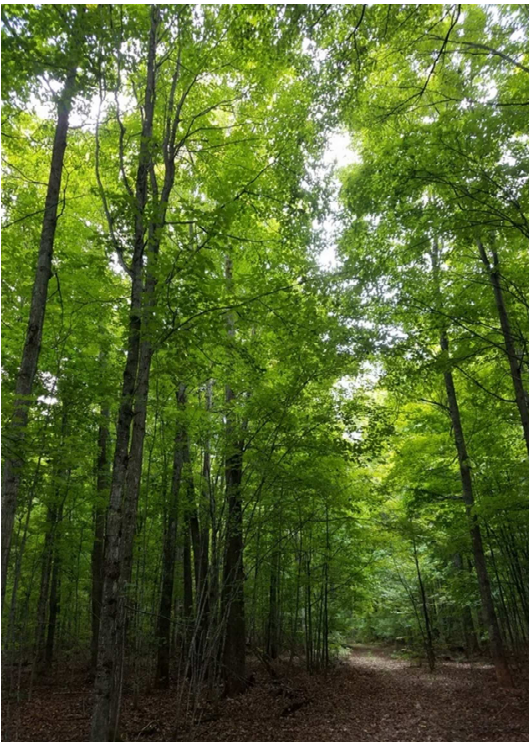
MEASURING SUCCESS:

Metric	2014	2015	2016	2017	2018
Applications Submitted	637	702	704	681	617
Forest Management Plans Received	669	647	547	587	546
Acres from Commercial Forest (DNR)	8,557	8,191	1,227	1,772	1,512
New Acreage Enrolled	73,065	81,875	80,851	77,224	55,409
Cumulative Acres Enrolled	217,223	299,099	367,593	427,959	483,368
Harvested Wood Products (cords)	19,585	67,091	381,401	112,298	275,402
Harvested Timber Value (dollars)	600,000	2,885,998	3,706,610	3,143,995	5,636,097
Revenue Received from 2 Mill Fee	131,687	203,142	278,775	342,114	NA

NA - Revenue not available until winter taxes are collected in February 2019.

2019 PROGRAM GOALS:

- Increase enrollment in the QFP by 100,000 acres for the 2020 tax year.
- Improve database to accommodate legislative changes to increase acres per unit of government, and to improve efficiencies in processing time of applications and data management.
- Continue working with Forestry Assistance Program staff and other marketing partners on a targeted marketing campaign to raise awareness of the benefits of the QFP.
- Meet with forestry stakeholders and local units of government to discuss QFP, participation benefits, and encourage collaborative efforts within the public and private sectors.



KEY STAKEHOLDERS

- Private forestland owners
- Forest plan writers
- Commercial foresters
- Conservation district foresters
- Forest products industry

LEGAL AUTHORITY:

- MCL 211.7jj[1] (general provisions)
- MCL 211.1033 (recapture tax imposition)
- MCL 211.1034 (recapture tax rate)
- MCL 324.51305 (private forest land enhancement fund)
- MCL 324.51306 (qualified foresters)
- MCL 380.1211 (exemption of qualified forest property)
- MCL 211.1091-211.1101 (transitional qualified forest)