



# Wisconsin's Managed Forest Law

A program summary  
PUB-FR-295 (Rev. 2011)

This brief summary features the principle rules and obligations of Managed Forest Law (MFL). Periodically, the Legislature or DNR may modify or amend Managed Forest Law (Sections 77.80 to 77.91, Wis. Stats.) and its administrative rules (Chapter NR 46, Wis. Adm. Code). Such changes may apply to lands already enrolled under the law.

A complete text of the law is available at the Wisconsin State Legislature website at: <http://legis.wisconsin.gov/statutes/Stat0077.pdf> or from the Forest Tax Program, Wisconsin Department of Natural Resources, Box 7963, Madison, WI 53707-7963. Contact a local DNR Forester for more specific answers or details about MFL.

Wisconsin's Managed Forest Law (MFL) is a landowner incentive program that encourages sustainable forestry on private woodlands in Wisconsin. Together with landowner objectives, the law incorporates timber harvesting, wildlife management, water quality and recreation to maintain a healthy and productive forest. Sustainable forest management benefits Wisconsin's economy, hunting, fishing, wildlife, recreation, soils, waterways, and air quality, and renews our beautiful forests for everyone to enjoy.

To participate in the MFL program, landowners designate property as "Open" or "Closed" to public access for recreation and commit to a 25 or 50 year sustainable forest management plan. The plan sets the schedule for specific forestry practices which landowners must complete. In return, MFL participants make a payment in lieu of regular property tax plus a yield tax on harvested trees. Yield taxes go to the local municipality to help offset the annual property taxes that are deferred while properties are in MFL.

## **APPLICATION PROCESS AND FEES**

Each new MFL application must include a forest management plan, map of the property, forest stand data, deeds, tax statements and other documents as requested. The applications must be prepared by a Certified Plan Writer (CPW). A CPW is a DNR certified, private consulting forester hired by landowners to prepare their MFL management plan. A current CPW list is available through DNR offices or at [http://dnr.wi.gov/forestry/ftax/cpw\\_list\\_public.pdf](http://dnr.wi.gov/forestry/ftax/cpw_list_public.pdf)

The online forestry assistance locator (<http://dnr.wi.gov/forestry/private/assist/coopforesters/>) offers a convenient way to solicit competitive CPW proposals for plan preparation and other forestry services. Local DNR Foresters are also able to help applicants contact CPWs. In a rare circumstance, a DNR Forester may be permitted to write a management plan if CPW services prove unavailable to a landowner. Landowners will be billed for this service.

A non-refundable application fee of \$20 per application is used to record the entry of land at the county register of deeds office. Applications must be made per municipality. In rare situations MFL lands may cross municipal, and sometimes county, lines. If the application crosses county lines the application fee must include \$20 per county.

Applications are submitted directly to the DNR forester responsible for the county in which the land is located. DNR offices are listed at the end of this publication.

If postmarked by June 1, eligible parcels are enrolled the following January 1. Once submitted, an application may become void if the property's ownership changes before the January 1 enrollment date.

The MFL tax rate is reflected in property tax bills in December of the first year of MFL entry.

## **ELIGIBLE PROPERTY**

MFL lands receive modified tax status to sustainably grow timber for wood products. To qualify and comply with the law, the lands are restricted from other industry or land use. Prohibited usage includes agriculture, grazing, commercial storage facilities, game farms, cell towers, mines, quarries, orchards and recreational development such as a golf course, campground or raceway.

To qualify for MFL designation, a forested parcel must:

- Be at least 10 contiguous acres under the same ownership
- Be at least 80% covered by forest dedicated to growing commercial timber products and able to grow at least 20 cubic feet of wood per acre, per year. Up to 20% of each forest parcel may be deemed unsuitable to grow timber or in unmanaged vegetation type such as brush, swamp, standing water, bog, rock outcrop, sand dune, abandoned farm field, roadway and utility or railroad rights-of-way. Wooded "no-cut" zones are considered unmanaged.
- Not be within a recorded subdivision. A forest parcel may qualify if it is within a recorded plat that has been vacated or an assessor's plat.
- Not be subject to a recreational lease. Landowners may not receive consideration (cash, goods or services) for the use of it for a recreational activity that permit individual people or groups of people exclusive use of the property for hunting, fishing, or any other recreational use. Landowners who have 501(c)(3) non-profit status may charge a reasonable membership fee if approved by the department.
- Not be tax-delinquent. Current year property taxes must be paid by August 15.

## **BUILDINGS ON MFL LAND**

Construction or building on MFL land may require withdrawal from the program and assessment of a withdrawal tax and fee.

Buildings "*developed for human residence*" are prohibited upon MFL lands. A building is considered, "*developed for human residence*" if it has at least 5 of the following 8 characteristics:

1. Living space totaling 800 square feet or more. Use exterior dimensions, include each level but exclude porches, decks, or un-insulated screen porches.
2. Indoor plumbing.
3. Central heating or cooling (i.e. electric heat, furnace or other heater with a circulation system).
4. Full or partial basement. Exclude crawl spaces and frost walls.
5. Electrical service by connection to the lines of a power company.
6. Attached or separate garage associated with the living space. This does not include buildings that store vehicles used primarily for work or recreational activities on the property.
7. Local telephone service.
8. Building Insulation.

Applicants considering building on their land should discuss, with their plan writer, the possibility of such buildings and exclude potential building sites from their MFL application. It is important to exclude enough acreage to contain septic systems, drain fields, gardens, lawns, pet areas and any related facilities and structures. Building sites cannot be added or relocated once lands are entered into MFL. Local ordinances should be reviewed to determine location, layout and setback restrictions.

Some hunting or vacation cabins, outbuildings, workshops or sheds that protect equipment or vehicles used primarily for on-property management or recreation may be allowed upon MFL land. Any living space is subject to the building characteristic limitations listed above. MFL land may not be landscaped, gardened or developed for ornamental purposes (i.e. rock gardens, sculptures, game courts, etc.).

Buildings within MFL lands are taxed as personal property. If personal property within MFL land becomes tax-delinquent, the land may need to be withdrawn from the MFL program. Land withdrawn from the MFL program is assessed a withdrawal tax and fee.

## MANAGEMENT PLAN

Landowner goals lay the groundwork for the management plan and influence the scope of forest management practices. Applicants should discuss the reasons they own their woodland with their CPW or local DNR forester. The management plan describes the property and spells out the forest management practices required during the MFL entry period.

Mandatory Practices are forest management practices that must be carried out during the MFL entry period. These practices may include:

- Harvesting timber according to sound forestry standards.
- Thinning plantations and natural stands for merchantable products.
- Releasing trees from competing vegetation.
- Tree planting to maintain necessary forest density.
- Treating before and after harvest to ensure adequate forest regeneration.
- Controlling soil erosion.

A non-compliance fee of \$250 may be assessed on a landowner who fails to complete each Mandatory Practice according to schedule. Failure to follow the management plan can result in the loss of MFL designation and an assessment of withdrawal taxes and fees.

MFL plans also contain non-mandatory forestry, wildlife, watershed, endangered resource or aesthetic recommendations to help landowners get the most from their land.

## FOREST CERTIFICATION

Lands enrolled into the MFL program enjoy membership in the MFL Certified Group. Members benefit from the ability to sell timber to the certified marketplace. An independent certification body verifies that MFL Group lands are managed in conformance with American Tree Farm System (ATFS) and Forest Stewardship Council (FSC) standards of responsible forestry.

Participation in the MFL Certified Group is *voluntary*. Landowners can opt out of the Group by filing the **MFL Certified Group Departure Request (Form 2450-191)**. Departure from the Certified Group does not affect the MFL entry. However, only Group members can market forest products as ATFS or FSC certified under the auspices of the MFL program.

Landowners submit **MFL Certified Group Application (Form 2450-192)** to re-enter the MFL Certified Group.

More information on the American Tree Farm System is at <http://www.treefarmssystem.org/>

More information on the Forest Stewardship Council is at <http://www.fscus.org/>

## TIMBER HARVEST AND YIELD TAX

DNR notifies landowners as their mandatory practices become due. Practices are best handled with the help of a professional forester. A list of professional foresters is found at the online forestry assistance locator at: <http://dnr.wi.gov/forestry/private/assist/coopforesters/>.

At least 30 days prior to cutting, the landowner must file a **Cutting Notice (Form 2450-32 Part A)** with the DNR forester responsible for the county in which the land is located. DNR approval of the proposed cutting is required prior to

beginning the harvest. Landowners **must** file a separate **County Cutting Notice** with the county clerk. (Chapter 26, Wis. Stats.)

Timber cutting must begin within one year after the cutting notice is approved. Landowners must report to the DNR forester the date cutting begins.

A **Cutting Report (Form 2450-32 Part B)** must be submitted to the local DNR forester within 30 days after cutting is completed.

A yield tax is assessed on wood harvested during the MFL entry period. The DNR calculates the yield tax by multiplying annually established tax rates by the cut wood volume and species. Yield tax rates are found at <http://dnr.wi.gov/forestry/ftax/yieldrates.htm>. Yield tax is not assessed upon firewood cut by landowners for their own use.

Yield tax is not assessed upon harvest prescribed within the first 5 years of the MFL entry period. This 5-year waiver does not apply to conversions from Forest Crop Law (FCL), MFL withdrawal and re-designations, or to renewals of expiring MFL and FCL entries.

### **PUBLIC ACCESS (Open or Closed To Public Recreation)**

No person may lease or receive consideration (cash, goods or services) for the use of their MFL lands for a recreational activity. Landowners who have 501(c)(3) non-profit status may charge a reasonable membership fee after obtaining approval from the DNR.

Lands enrolled under MFL are designated as “Open” or “Closed” to public recreation. Open designation allows public access to the property only for hunting, fishing, hiking, sight-seeing and cross country skiing without additional permission from landowners. Closed designation affords landowners the right to restrict or permit access.

A maximum of 160 acres per ownership, per municipality (city/town/village) may be designated as Closed. All MFL land under the same ownership in the municipality counts toward this limit. However, lands enrolled prior to 2005 have an 80 acre maximum (or two entire government or fractional lots).

Owners of MFL land are permitted, without fee, to modify their Open or Closed designation twice during their MFL entry period or when all or part of the MFL land is withdrawn or transferred. To change designation, landowners submit a **Managed Forest Law Public Access Modification Request (Form 2450-193)** to the DNR. Requests received by December 1 become effective the following January 1. The landowner is responsible for identifying the boundaries of Closed areas and may post signs for that purpose. Addition to or sale of MFL land may alter land eligible for Closed designation.

**OPEN DESIGNATION (Conditions and Privileges):**

For MFL lands open to public access, landowners **may**:

- Restrict or deny the use of motorized vehicles upon the parcel.
- Designate a specific access point or route to the Open MFL land. Typically, the public can access Open MFL parcels from a public road. When not obvious, public access must be reasonable and clearly identified. Where the public must cross the owner’s non-MFL or closed MFL land, the landowner should identify the public access route.
- Post signs approved by the DNR to show the access route or identify the location of closed lands.
- Restrict access within 300 feet of any building or active commercial timber sale (cutting firewood for personal use does not apply) that conforms to the management plan.
- Grant additional uses to the public if the landowner so desires.
- Not deny access to any person.
- Not restrict the number of people accessing the parcel.
- Not post signs, which restrict or give the appearance of restricting permitted uses.

When using MFL lands open to public recreation, the public **may**:

- Access the land only for the purposes of hunting, fishing, hiking, sight seeing and cross country skiing.
- Access the land without asking permission.
- Access the land only by foot unless given other permission by the landowner(s).
- Use legal hunting methods including baiting and temporary tree stands. Land, trees or other property may not be damaged.

When using MFL lands open to public recreation, the public may **not**:

- Use motorized vehicles or conduct target practice without landowner’s permission.
- Damage the property or anything on it.

When using MFL lands open to public recreation, the public is encouraged to:

- Avoid trespass through awareness of their location, MFL boundaries and property lines.
- Treat the property and resources with respect. Damage and trespass incidents are enforced by the local Sheriff’s Department, not the DNR.
- Let landowners know when and where they are going to be on MFL land. Though not a legal requirement, notification is courteous and enhances safety.

**ANNUAL PROPERTY TAX**

Each year, MFL landowners pay an acreage share tax instead of the regular (ad valorem) property tax. Landowners pay an additional fee for lands that are designated as “closed.” In 2013 and every 5<sup>th</sup> year thereafter, MFL tax rates will be adjusted to reflect changing property tax rates.

Annual Tax Rates Per Acre	MFL Enrolled in 1987 through 2004	MFL Enrolled in 2005 or later
Open to public access	\$0.67/acre	\$1.67/acre
Closed to public access	\$1.57/per acre	\$8.34/acre

**SALE OR TRANSFER OF MFL LAND**

Some ownership changes on MFL land may require withdrawal from the program and assessment of a withdrawal tax and fee. Before selling, transferring or buying MFL land, owners should consult with the DNR forester.

MFL land can be conveyed and its MFL entry transferred to new ownership if it meets eligibility requirements and is:

- An entire MFL entry or parcel or all MFL land owned within a quarter-quarter section, government lot or fractional lot.
- Lands can have no more than 20% of the land in a non-productive category or not producing timber products.

Sellers **must** disclose the status of the MFL lands to prospective buyers if any portion of the land being sold will continue to be enrolled in the MFL program. Sellers have 10 days after acceptance of a contract of sale or an option contract to

provide the buyer a written disclosure that lands will continue to be enrolled in the MFL program, the length of the entry period (25 or 50 years), that DNR monitors compliance with the management plan and the MFL program, and how to contact the DNR office. Sellers are also required to place in the disclosure statement the following statement: “Changes you make to property that is subject to an entry designating it as managed forest land, or to its use, may jeopardize your benefits under the program or may cause the property to be withdrawn from the program and may result in the assessment of penalties.” Withdrawal penalties are generally considered withdrawal taxes and fees.

New owners are responsible to submit the **Notice of Conveyance and Application for Transfer (Form 2450-159)** to the local DNR Forester within 30 days of taking ownership. There is a non-refundable \$100 transfer fee.

## **WITHDRAWAL OF MFL LANDS**

Violation of MFL conditions or obligations may cause the DNR to withdraw MFL designation. Landowners may voluntarily withdraw from MFL by submitting a **Declaration of Withdrawal (Form 2450-140)**. Requests received by DNR before December 1 become effective the following January 1.

Most MFL withdrawals are subject to a withdrawal tax plus a \$300 withdrawal fee. MFL lands sold to a governmental agency may be exempt from withdrawal tax and fee.

The method used to calculate withdrawal tax depends upon the way in which the land was entered into MFL. Landowners can learn from their local DNR forester which method applies to their specific situation. The most common method multiplies the net tax rate by the previous year’s assessed land value. This amount is multiplied by the number of years the land was enrolled then reduced by subtracting any acreage share and yield tax already paid.

The withdrawn area must be one of the following:

- An entire MFL entry or parcel or all MFL land owned within a quarter-quarter section, government lot or fractional lot.
- Lands remaining after a withdrawal must meet eligibility requirements.

More information on withdrawing lands, including a withdrawal tax calculation worksheet, can be found on the DNR public website at <http://dnr.wi.gov/forestry/feeds/faqsFull.asp?s1=ForestTax&s2=MFL-Withdrawal&inc=ftax>. The Department of Revenue is available to estimate your withdrawal tax for a fee. The form for a DOR withdrawal tax estimate is found at: <http://www.revenue.wi.gov/forms/govtvc/pr-296f.pdf>.

## **MFL EXPIRATION**

At the end of an MFL entry period, MFL parcels are returned to regular property tax rolls unless they are re-enrolled as a new MFL entry.

This document is intended solely as guidance, and does not contain any mandatory requirements except where requirements found in statute or administrative rule are referenced. This guidance does not establish or affect legal rights or obligations, and is not the final determination of any of the issues addressed. This guidance does not create any rights enforceable by any party in litigation with the State of Wisconsin or the Department of Natural Resources. Any regulatory decisions made by the Department of Natural Resources in any matter addressed by this guidance will be made by applying the governing statutes and administrative rules to the relevant facts.

The Wisconsin Department of Natural Resources provides equal opportunity in its employment, programs, services and functions under an Affirmative Action Plan. If you have any questions, please write to Equal Opportunity Office, Department of Interior, Washington D.C. 20240. This publication is available in alternative format (large print, Braille, audio tape etc.) upon request. Please call 608/267-7494 for more information.

LOCATION OF WISCONSIN DEPARTMENT OF NATURAL RESOURCES FORESTERS

COUNTY	ADDRESS			PHONE
ADAMS	HWY 13, PO BOX 100	FRIENDSHIP	WI 53934	608-339-3386
ASHLAND	PO BOX 709	MELLEN	WI 54546	715-274-6321
BARRON	127 S FOURTH ST	BARRON	WI 54812-1638	715-537-5046
BAYFIELD	203 E BAYFIELD ST, PO BOX 545	WASHBURN	WI 54891	715-373-6165
BROWN & KEWAUNEE	2984 SHAWANO AVE, PO BOX 10448	GREEN BAY	WI 54307	920-662-5156
BUFFALO	COURTHOUSE, PO BOX 88	ALMA	WI 54610	608-685-6223
BURNETT	PO BOX 51	WEBSTER	WI 54893	715-866-8201
CALUMET & OUTAGAMIE	3369 W BREWSTER ST	APPLETON	WI 54914	920-832-2747
CHIPPEWA	711 N BRIDGE	CHIPPEWA FALLS	WI 54729	715-726-7885
CLARK	400 HEWETT ST, RM 106	NEILLSVILLE	WI 54456-1924	715-743-5134
COLUMBIA	W7303 CO HWY CS	POYNETTE	WI 53955	608-635-8113
CRAWFORD	PO BOX 186	GAYS MILLS	WI 54631	608-735-4672
DANE	3911 FISH HATCHERY RD	FITCHBURG	WI 53711	608-275-3266
DODGE	N 7725 HWY 28 NORTH	HORICON	WI 53032	920-387-7884
DOOR	110 S NEENAH AVE	STURGEON BAY	WI 54235-2718	920-746-2880
DOUGLAS	PO BOX 60	GORDON	WI 54838	715-376-2299
DUNN	921 BRICKYARD RD	MENOMONIE	WI 54751	715-232-1516
EAU CLAIRE	PO BOX 4001	EAU CLAIRE	WI 54701	715-839-3782
FLORENCE	4842 FORESTRY DR	FLORENCE	WI 54121-9715	715-528-4400
FOND DU LAC & WINNEBAGO	625 E CTY RD Y, SUITE 700	OSHKOSH	WI 54901-8131	920-424-3056
FOREST	404 N LAKE	RANDON	WI 54520	715-478-3010
GRANT	150 W ALONA LN, SUITE 3	LANCASTER	WI 53813	608-723-2397
GREEN	3911 FISH HATCHERY RD	FITCHBURG	WI 53711	608-275-3205
GREEN LAKE & MARQUETTE	363 CHURCH ST	MONTELLO	WI 53949	608-297-2226
IOWA	1500 N JOHNS ST	DODGEVILLE	WI 53533-2116	608-935-1917
IRON	5291 N STATE HOUSE CIRCLE	MERCER	WI 54547	715-476-3890
JACKSON	910 HWY 54 EAST	BLACK RIVER FALLS	WI 54615-9276	715-284-1432
JEFFERSON & ROCK	2514 MORSE ST	JANESVILLE	WI 53545	608-743-4830
JUNEAU	650 PRAIRIE ST, PO BOX 288	MAUSTON	WI 53948	608-847-9394
KENOSHA, RACINE & WALWORTH	9531 RAYNE RD, SUITE 4	STURTEVANT	WI 53177	262-884-2390
LA CROSSE	3550 MORMON COULEE RD	LA CROSSE	WI 54601	608-785-9007
LAFAYETTE	1845 CENTER DR	DARLINGTON	WI 53530	608-776-3064
LANGLADE	223 E STEINFEST RD	ANTIGO	WI 54409-0310	715-623-4190
LINCOLN	101 EAGLE DR	MERRILL	WI 54452	715-536-4502
MANITOWOC	2220 E CTH V	MISHICOT	WI 54228-9467	920-755-4984
MARATHON	5301 RIB MOUNTAIN DR	WAUSAU	WI 54401	715-359-4522
MARINETTE	HWY C, PO BOX 199	WAUSAUKEE	WI 54177	715-856-9155
MENOMINEE	PO BOX 670	KESHENA	WI 54135	715-799-3405
MILWAUKEE & WAUKESHA	S91 W39091 HIGHWAY 59	EAGLE	WI 53119	262-574-2111
MONROE	820 INDUSTRIAL DR, SUITE 4	SPARTA	WI 54656	608-269-6901
OCONTO	195 E HIGHLAND, PO BOX 96	OCONTO FALLS	WI 54154	920-846-2980
ONEIDA	RANGER STATION, PO BOX 576	RHINELANDER	WI 54501	715-365-2634
OZAUKEE & WASHINGTON	3544 KETTLE MORAIN RD	HARTFORD	WI 53027	262-670-3404
PEPIN	PEPIN GOVT CENTER, PO BOX 39	DURAND	WI 54736	715-672-4153
PIERCE	PO BOX 428	ELLSWORTH	WI 54011	715-273-5525
POLK	941 MALLARD LN, RM 104	BALSAM LAKE	WI 54810	715-485-3518
PORTAGE	301 CEDAR ST WEST	STEVENS POINT	WI 54481	715-344-2752
PRICE	104 S EYDER AVE	PHILLIPS	WI 54555	715-339-3001
RICHLAND	26136 EXECUTIVE LN SUITE C	RICHLAND CENTER	WI 53581	608-647-4566
RUSK	N4103 HWY 27	LADYSMITH	WI 54848-9309	715-532-3911
ST. CROIX	890 SPRUCE ST	BALDWIN	WI 54002	715-684-2914
SAUK	505 BROADWAY, W SQUARE BLDG #2	BARABOO	WI 53913	608-355-4475
SAWYER	10220N STH 27S	HAYWARD	WI 54843	715-634-9658
SHAWANO	647 LAKELAND RD	SHAWANO	WI 54166	715-526-4222
SHEBOYGAN	1155 PILGRIM RD	PLYMOUTH	WI 53073	920-892-8756
TAYLOR	660 WHEELOCK ST	MEDFORD	WI 54451	715-748-4955
TREMPEALEAU	PO BOX 645	WHITEHALL	WI 54773	715-538-4480
VERNON	220 AIRPORT RD	VIROQUA	WI 54665	608-637-3784
VILAS	1861 HWY 45 NORTH	EAGLE RIVER	WI 54521	715-479-8870
WASHBURN	810 W MAPLE ST	SPOONER	WI 54801-1255	715-635-4086
WAUPACA	N2480 HARTMAN CREEK RD	WAUPACA	WI 54981	715-258-8432
WAUSHARA	427 E TOWER DR, SUITE 100	WAUTOMA	WI 54982	920-787-4686
WOOD	473 GRIFFITH AVE	WISCONSIN RAPIDS	WI 54494	715-421-7819