

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 217**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 7dd and 7jj (MCL 211.7dd and 211.7jj[1]),
section 7dd as amended by 2013 PA 44 and section 7jj as amended by
2013 PA 42.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7dd. As used in sections 7cc and 7ee:

2 (a) "Owner" means any of the following:

3 (i) A person who owns property or who is purchasing property
4 under a land contract.

5 (ii) A person who is a partial owner of property.

6 (iii) A person who owns property as a result of being a
7 beneficiary of a will or trust or as a result of intestate
8 succession.

1 (iv) A person who owns or is purchasing a dwelling on leased
2 land.

3 (v) A person holding a life lease in property previously sold
4 or transferred to another.

5 (vi) A grantor who has placed the property in a revocable
6 trust or a qualified personal residence trust.

7 (vii) The sole present beneficiary of a trust if the trust
8 purchased or acquired the property as a principal residence for the
9 sole present beneficiary of the trust, and the sole present
10 beneficiary of the trust is totally and permanently disabled. As
11 used in this subparagraph, "totally and permanently disabled" means
12 disability as defined in section 216 of title II of the social
13 security act, 42 USC 416, without regard as to whether the sole
14 present beneficiary of the trust has reached the age of retirement.

15 (viii) A cooperative housing corporation.

16 (ix) A facility **AS DEFINED BY FORMER 1976 PA 440 AND**
17 registered under the ~~living care~~ **CONTINUING CARE COMMUNITY**
18 disclosure act, ~~1976 PA 440, MCL 554.801 to 554.844.~~ **2014 PA 448,**
19 **MCL 554.901 TO 554.993.**

20 (b) "Person", for purposes of defining owner as used in
21 section 7cc, means an individual and for purposes of defining owner
22 as used in section 7ee means an individual, partnership,
23 corporation, limited liability company, association, or other legal
24 entity.

25 (c) "Principal residence" means the 1 place where an owner of
26 the property has his or her true, fixed, and permanent home to
27 which, whenever absent, he or she intends to return and that shall

1 continue as a principal residence until another principal residence
2 is established. Except as otherwise provided in this subdivision,
3 principal residence includes only that portion of a dwelling or
4 unit in a multiple-unit dwelling that is subject to ad valorem
5 taxes and that is owned and occupied by an owner of the dwelling or
6 unit. Principal residence also includes all of an owner's
7 unoccupied property classified as residential that is adjoining or
8 contiguous to the dwelling subject to ad valorem taxes and that is
9 owned and occupied by the owner. Beginning December 31, 2007,
10 principal residence also includes all of an owner's unoccupied
11 property classified as timber-cutover real property under section
12 34c that is adjoining or contiguous to the dwelling subject to ad
13 valorem taxes and that is owned and occupied by the owner.
14 Contiguity is not broken by boundary between local tax collecting
15 units, a road, a right-of-way, or property purchased or taken under
16 condemnation proceedings by a public utility for power transmission
17 lines if the 2 parcels separated by the purchased or condemned
18 property were a single parcel prior to the sale or condemnation.
19 Except as otherwise provided in this subdivision, principal
20 residence also includes any portion of a dwelling or unit of an
21 owner that is rented or leased to another person as a residence as
22 long as that portion of the dwelling or unit that is rented or
23 leased is less than 50% of the total square footage of living space
24 in that dwelling or unit. Principal residence also includes a life
25 care facility **FOR PURPOSES OF FORMER 1976 PA 440 THAT IS** registered
26 under the ~~living care~~-**CONTINUING CARE COMMUNITY** disclosure act,
27 ~~1976 PA 440, MCL 554.801 to 554.844.~~ **2014 PA 448, MCL 554.901 TO**

1 554.993. Principal residence also includes property owned by a
2 cooperative housing corporation and occupied by tenant
3 stockholders. Property that qualified as a principal residence
4 shall continue to qualify as a principal residence for 3 years
5 after all or any portion of the dwelling or unit included in or
6 constituting the principal residence is rented or leased to another
7 person as a residence if all of the following conditions are
8 satisfied:

9 (i) The owner of the dwelling or unit is absent while on
10 active duty in the armed forces of the United States.

11 (ii) The dwelling or unit would otherwise qualify as the
12 owner's principal residence.

13 (iii) Except as otherwise provided in this subparagraph, the
14 owner files an affidavit with the assessor of the local tax
15 collecting unit on or before May 1 attesting that it is his or her
16 intent to occupy the dwelling or unit as a principal residence upon
17 completion of active duty in the armed forces of the United States.
18 ~~In 2008 only, the owner may file an affidavit under this~~
19 ~~subparagraph on or before December 31.~~ A copy of an affidavit filed
20 under this subparagraph shall be forwarded to the department of
21 treasury pursuant to a schedule prescribed by the department of
22 treasury.

23 (d) "Qualified agricultural property" means unoccupied
24 property and related buildings classified as agricultural, or other
25 unoccupied property and related buildings located on that property
26 devoted primarily to agricultural use as defined in section 36101
27 of the natural resources and environmental protection act, 1994 PA

1 451, MCL 324.36101. Related buildings include a residence occupied
2 by a person employed in or actively involved in the agricultural
3 use and who has not claimed a principal residence exemption on
4 other property. For taxes levied after December 31, 2008, property
5 shall not lose its status as qualified agricultural property as a
6 result of an owner or lessee of that property implementing a
7 wildlife risk mitigation action plan. Notwithstanding any other
8 provision of this act to the contrary, if after December 31, 2008
9 the classification of property was changed as a result of the
10 implementation of a wildlife risk mitigation action plan, the owner
11 of that property may appeal that change in classification to the
12 board of review under section 30 in the year in which the
13 amendatory act that added this sentence takes effect or in the 3
14 immediately succeeding years. ~~Within 30 days of the effective date~~
15 ~~of the amendatory act that added the immediately preceding~~
16 ~~sentence, the department of treasury shall update its publication~~
17 ~~entitled "Qualified Agricultural Property Exemption Guidelines" and~~
18 ~~shall post that updated publication on the department of treasury~~
19 ~~website.~~ Property used for commercial storage, commercial
20 processing, commercial distribution, commercial marketing, or
21 commercial shipping operations or other commercial or industrial
22 purposes is not qualified agricultural property. A parcel of
23 property is devoted primarily to agricultural use only if more than
24 50% of the parcel's acreage is devoted to agricultural use. ~~or if~~
25 ~~more than 50% of the parcel's acreage is devoted to a combination~~
26 ~~of agricultural use and is exempt under section 7jj[1] as qualified~~
27 ~~forest property.~~ An owner shall not receive an exemption for that

1 portion of the total state equalized valuation of the property that
2 is used for a commercial or industrial purpose or that is a
3 residence that is not a related building. As used in this
4 subdivision:

5 (i) "Project" means certain risk mitigating measures, which
6 may include, but are not limited to, the following:

7 (A) Making it difficult for wildlife to access feed by storing
8 livestock feed securely, restricting wildlife access to feeding and
9 watering areas, and deterring or reducing wildlife presence around
10 livestock feed by storing feed in an enclosed barn, wrapping bales
11 or covering stacks with tarps, closing ends of bags, storing grains
12 in animal-proof containers or bins, maintaining fences, practicing
13 small mammal and rodent control, or feeding away from wildlife
14 cover.

15 (B) Minimizing wildlife access to livestock feed and water by
16 feeding livestock in an enclosed area, feeding in open areas near
17 buildings and human activity, removing extra or waste feed when
18 livestock are moved, using hay feeders to reduce waste, using
19 artificial water systems to help keep livestock from sharing water
20 sources with wildlife, fencing off stagnant ponds, wetlands, or
21 areas of wildlife habitats that pose a disease risk, and keeping
22 mineral feeders near buildings and human activity or using devices
23 that restrict wildlife usage.

24 (ii) "Wildlife risk mitigation action plan" means a written
25 plan consisting of 1 or more projects to help reduce the risks of a
26 communicable disease spreading between wildlife and livestock that
27 is approved by the department of agriculture under the animal

1 industry act, 1988 PA 466, MCL 287.701 to 287.746.

2 Sec. 7jj. (1) Except as otherwise limited in this subsection,
3 qualified forest property is exempt from the tax levied by a local
4 school district for school operating purposes to the extent
5 provided under section 1211 of the revised school code, 1976 PA
6 451, MCL 380.1211, according to the provisions of this section.
7 Buildings, structures, or land improvements located on qualified
8 forest property are not eligible for the exemption under this
9 section. The amount of qualified forest property in this state that
10 is eligible for the exemption under this section is limited as
11 follows:

12 (a) In the fiscal year ending September 30, 2008, 300,000
13 acres.

14 (b) In the fiscal year ending September 30, 2009, 600,000
15 acres.

16 (c) In the fiscal year ending September 30, 2010, 900,000
17 acres.

18 (d) In the fiscal year ending September 30, 2011 and each
19 fiscal year thereafter, 1,200,000 acres. Beginning in the fiscal
20 year ending September 30, 2013 and each fiscal year thereafter,
21 real property eligible for exemption under this section as
22 qualified forest property as a result of the withdrawal of that
23 property from the operation of part 511 of the natural resources
24 and environmental protection act, 1994 PA 451, MCL 324.51101 to
25 324.51120, as provided in section 51108(5) of the natural resources
26 and environmental protection act, 1994 PA 451, MCL 324.51108, shall
27 not be credited against the 1,200,000 acres of property that are

1 eligible for exemption as qualified forest property under this
2 section.

3 (2) If a property owner is interested in obtaining an
4 exemption for qualified forest property under this section, the
5 property owner may contact the local conservation district or the
6 department, and the local conservation district or the department
7 shall advise the property owner on the exemption process. If
8 requested by the property owner, the local conservation district or
9 the department shall provide the property owner with a list of
10 qualified foresters to prepare a forest management plan. The
11 department shall maintain a list of qualified foresters throughout
12 the state and shall make the list available to the conservation
13 districts and to interested property owners. To claim an exemption
14 under subsection (1), a property owner shall obtain a forest
15 management plan from a qualified forester and submit a digital copy
16 of that forest management plan, an application for exemption as
17 qualified forest property, and a fee of \$50.00 to the department on
18 a form created by the department by September 1 prior to the tax
19 year ~~within~~ **IN** which the exemption is requested. **BEFORE SUBMITTING**
20 **THE APPLICATION TO THE DEPARTMENT, THE PROPERTY OWNER IS ENCOURAGED**
21 **TO CONSULT WITH THE LOCAL CONSERVATION DISTRICT TO REVIEW THE**
22 **OBLIGATIONS OF THE QUALIFIED FOREST PROGRAM AND THE OBLIGATIONS OF**
23 **THE PROPERTY OWNER'S FOREST MANAGEMENT PLAN.** A forest management
24 plan is not subject to the freedom of information act, 1976 PA 442,
25 MCL 15.231 to 15.246. The department shall forward a copy of the
26 application to the local conservation district for review and to
27 the local tax collecting unit for notification of the application.

1 (3) A conservation district shall review the application to
2 determine if the applied-for property meets the minimum
3 requirements set forth in subsection ~~(16)(i)~~ **(16)(K)** for enrolling
4 into the qualified forest program. A conservation district shall
5 respond within 45 days of the date of its receipt of the
6 application indicating whether the property in the application is
7 eligible for enrollment. If the conservation district does not
8 respond within 45 days of its receipt of the application, the
9 property shall be considered eligible for the exemption under this
10 section.

11 (4) The department shall review the application, comments from
12 the conservation district, and the forest management plan to
13 determine if the property is eligible for the exemption under this
14 section. The department shall review the forest management plan to
15 determine if the elements required in subsection ~~(16)(e)~~ **(16)(F)**
16 are in the plan. Within 90 days of its receipt of the application,
17 forest management plan, and fee, the department shall review the
18 application and if the application and supporting documents are not
19 in compliance, the department shall **DENY THE APPLICATION AND** notify
20 the property owner of **THAT** denial. If the application and
21 supporting documents are in compliance with the requirements of
22 this section, the department shall approve the application and
23 shall prepare a qualified forest school tax affidavit, in
24 recordable form, indicating all of the following:

- 25 (a) The name of the property owner.
26 (b) The legal description of the property.
27 (c) The year the application was submitted for the exemption.

1 (d) A statement that the property owner is attesting that the
2 property for which the exemption is claimed is qualified forest
3 property and will be managed according to the approved forest
4 management plan.

5 (5) The department shall send a qualified forest school tax
6 affidavit prepared under subsection (4) to the property owner for
7 execution. The 90-day review period by the department may be
8 extended upon request of the property owner. The property owner
9 shall execute the qualified forest school tax affidavit and shall
10 have the executed qualified forest school tax affidavit recorded by
11 the register of deeds in the county in which the property is
12 located. The property owner shall provide a copy of the qualified
13 forest school tax affidavit to the department. The department shall
14 provide 1 copy of the qualified forest school tax affidavit to the
15 conservation district and 1 copy to the department of treasury.
16 These copies may be sent electronically.

17 (6) If the application is denied, the property owner has 30
18 days from the date of notification of the denial by the department
19 to initiate an appeal of that denial. An appeal of the denial shall
20 be by certified letter to the director of the department.

21 (7) To claim an exemption under subsection (1), the owner of
22 qualified forest property shall provide a copy of the recorded
23 qualified forest school tax affidavit attesting that the land is
24 qualified forest property to the local tax collecting unit and
25 assessor by December 31. An owner may claim an exemption under this
26 section for not more than 640 acres maximum or the equivalent of 16
27 survey units consisting of 1/4 of 1/4 of a section of qualified

1 forest property in each local tax collecting unit. If an exemption
2 is granted under this section for less than 640 acres in a local
3 tax collecting unit, an owner of that property may subsequently
4 claim an exemption for additional property in that local tax
5 collecting unit if that additional property meets the requirements
6 of this section.

7 (8) If a copy of the recorded qualified forest school tax
8 affidavit is provided to the assessor by the owner, the assessor
9 shall exempt the property from the collection of the tax as
10 provided in subsection (1) until December 31 of the year in which
11 the property is no longer qualified forest property.

12 (9) Beginning in the year that qualified forest property is
13 first exempt under this section and each year thereafter, the local
14 tax collecting unit shall collect a fee on each parcel of qualified
15 forest property exempt under this section located in that local tax
16 collecting unit. The fee shall be determined by multiplying 2 mills
17 by the taxable value of that qualified forest property. The fee
18 shall be collected at the same time and in the same manner as taxes
19 collected under this act. Each local tax collecting unit shall
20 disburse the fee collected under this subsection to the department
21 of treasury for deposit in the private forestland enhancement fund
22 created in section 51305 of the natural resources and environmental
23 protection act, 1994 PA 451, MCL 324.51305. If property is no
24 longer exempt as qualified forest property under this section, the
25 fee under this subsection shall not be collected on that property.
26 The fee collected in this subsection shall be subject to the
27 property tax administration fee established by the local tax

1 collecting unit under section 44.

2 (10) Not more than 90 days after all or a portion of the
3 exempted property is no longer qualified forest property, the owner
4 shall rescind the exemption for the applicable portion of the
5 property by filing with the register of deeds for the county in
6 which the exempted property is located a rescission form prescribed
7 by the department. A copy of the rescission form shall be provided
8 to the assessor. The rescission form shall include a legal
9 description of the exempted property. An owner who fails to file a
10 rescission **FORM** as required by this subsection is subject to a
11 penalty of \$5.00 per day for each separate failure beginning after
12 the 90 days have elapsed, up to a maximum of \$1,000.00. This
13 penalty shall be collected under 1941 PA 122, MCL 205.1 to 205.31,
14 and shall be deposited in the private forestland enhancement fund
15 **CREATED IN SECTION 51305 OF THE NATURAL RESOURCES AND ENVIRONMENTAL**
16 **PROTECTION ACT, 1994 PA 451, MCL 324.51305.**

17 (11) An owner of property that is qualified forest property on
18 December 31 for which an exemption was not on the tax roll may file
19 an appeal with the July or December board of review under section
20 53b in the year the exemption was claimed or the immediately
21 succeeding year.

22 (12) If property for which an exemption has been granted under
23 this section is not qualified forest property, the property that
24 had been subject to that exemption shall be immediately placed on
25 the tax roll by the local tax collecting unit if the local tax
26 collecting unit has possession of the tax roll or by the county
27 treasurer if the county has possession of the tax roll as though

1 the exemption had not been granted. A corrected tax bill shall be
2 issued for each tax year being adjusted by the local tax collecting
3 unit if the local tax collecting unit has possession of the tax
4 roll or by the county treasurer if the county has possession of the
5 tax roll.

6 (13) If all or a portion of property for which an exemption
7 has been granted under this section is converted by a change in use
8 and is no longer qualified forest property, an owner shall
9 immediately notify the local tax collecting unit, the assessor, the
10 department, and the department of treasury on a form created by the
11 department. The form shall include a legal description of the
12 exempted property. A copy of the form shall be filed with the
13 register of deeds for the county in which the exempted property is
14 located. Upon notice that property is no longer qualified forest
15 property, the local tax collecting unit and assessor shall
16 immediately rescind the exemption under this section and shall
17 place the property on the tax roll as though the exemption under
18 this section had not been granted for the immediately succeeding
19 tax year and the department of treasury shall immediately begin
20 collection of any applicable tax and penalty under this act or
21 under the qualified forest property recapture tax act, 2006 PA 379,
22 MCL 211.1031 to 211.1036. However, beginning June 1, 2013 and
23 ending November 30, 2013, owners of property exempt as qualified
24 forest property prior to January 1, 2013 may execute a new
25 qualified forest school tax affidavit under this section. If an
26 owner of property exempt as qualified forest property elects to
27 execute a new qualified forest school tax affidavit under this

1 section, that owner is not required to pay the \$50.00 fee required
2 under subsection (2). If an owner of qualified forest property
3 elects not to execute a new qualified forest school tax affidavit
4 under this section, the existing affidavit shall be rescinded
5 without penalty and the property shall be placed on the tax roll as
6 though the exemption under this section had not been granted. If a
7 property owner elects not to execute a qualified forest school tax
8 affidavit under this section, the property is not subject to the
9 recapture tax provided for under the qualified forest property
10 recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036.

11 (14) If qualified forest property is exempt under this
12 section, an owner of that qualified forest property shall report to
13 the department on a form prescribed by the department when a forest
14 practice or timber harvest has occurred on the qualified forest
15 property during a calendar year. The report shall indicate the
16 forest practice completed ~~or~~ **AND** the volume and value of timber
17 harvested on that qualified forest property. One copy of the form
18 shall be forwarded to the conservation district, and 1 copy shall
19 be retained by the department for 7 years. If it is determined by
20 the department that a forest practice or harvest has occurred in a
21 calendar year and no report was filed, a fine of \$500.00 may be
22 collected by the department. Beginning December 31, 2013 and ~~every~~
23 **EACH** year thereafter, the department shall provide to the standing
24 committees of the senate and house of representatives with primary
25 jurisdiction over forestry issues a report that includes all of the
26 following:

27 (a) The number of acres of qualified forest property in each

1 county.

2 (B) THE NUMBER OF ACRES OF AGRICULTURAL USE PROPERTY THAT IS
3 COMBINED WITH PRODUCTIVE FOREST UNDER SUBSECTION (16) (K) (iii) .

4 (C) ~~(b)~~—The amount of timber produced on qualified forest
5 property each year.

6 (D) ~~(e)~~—The number of forest management plans completed by
7 conservation districts and the total number of forest management
8 plans submitted for approval each year.

9 (15) While qualified forest property is exempt under this
10 section, the owner shall retain the current management plan, most
11 recent harvest records, recorded copy of a receipt of the tax
12 exemption, and a map that shows the location and size of any
13 buildings and structures on the property. The owner shall make the
14 documents available to the department upon request. The department
15 shall maintain a database listing all qualified forest properties,
16 including the dates indicated for forest practices and harvests in
17 the forest management plan, and shall notify the property owner and
18 the conservation district in any year that forest practices or
19 harvests are to occur. If an owner does not accomplish forest
20 practices and harvests within 3 years after the time specified in
21 the current forest management plan, and the plan has not been
22 amended to extend the date of forest practices and harvests, the
23 property is not eligible for the exemption under this section and
24 the property shall be placed on the tax roll as though the
25 exemption under this section had not been granted as provided in
26 this section and shall be subject to repayment as indicated in the
27 qualified forest property recapture tax act, 2006 PA 379, MCL

1 211.1031 to 211.1036. Information in the database specific to an
2 individual property owner's forest management plan is exempt from
3 disclosure under the freedom of information act, 1976 PA 442, MCL
4 15.231 to 15.246. However, information in the database in the
5 aggregate, including, but not limited to, how much timber would be
6 expected to be on the market each year as a result of enrollees, is
7 not exempt from disclosure under the freedom of information act,
8 1976 PA 442, MCL 15.231 to 15.246.

9 (16) As used in this section:

10 (A) "AGRICULTURAL USE PROPERTY" MEANS REAL PROPERTY DEVOTED
11 PRIMARILY TO AGRICULTURAL USE AS THAT TERM IS DEFINED IN SECTION
12 36101 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT,
13 1994 PA 451, MCL 324.36101.

14 (B) ~~(a)~~—"Approved forest management plan" means a forest
15 management plan developed by a qualified forester. An owner of
16 property shall submit a forest management plan to the department
17 for approval as prescribed in subsection (2). The forest management
18 plan shall include a statement signed by the owner that he or she
19 agrees to comply with all terms and conditions contained in the
20 approved forest management plan. If a forest management plan and
21 application are submitted to the department, the department shall
22 review and either approve or disapprove the owner's application
23 within 90 days of submission. Approval of the plan shall be based
24 solely on compliance with the elements required in subdivision (e).
25 Denial of the plan shall be based solely on noncompliance with the
26 requirements listed in subdivision (e). If the department
27 disapproves a forest management plan, the department shall indicate

1 the changes necessary to qualify the forest management plan for
2 approval on subsequent review. An owner may submit amendments to
3 his or her forestry plan to the department. The department may
4 reject amendments that delay a harvest date repeatedly or
5 indefinitely. A forest management plan submitted for approval shall
6 be for a maximum of 20 years. To continue receiving an exemption
7 under this section, an owner of property shall submit a digital
8 copy of any succeeding proposed forest management plan to the
9 department for approval together with a fee of \$50.00. The first
10 amendment to the plan shall not be subject to a fee. Additional
11 amendments may be subject to a fee of \$50.00.

12 (C) ~~(b)~~—"Conservation district" means a conservation district
13 organized under part 93 of the natural resources and environmental
14 protection act, 1994 PA 451, MCL 324.9301 to 324.9313.

15 (D) ~~(e)~~—"Converted by a change in use" means ~~that~~ **BOTH OF THE**
16 **FOLLOWING:**

17 (i) **THAT** term as defined in section 2 of the qualified forest
18 property recapture tax act, 2006 PA 379, MCL 211.1032.

19 (ii) **THAT DUE TO A CHANGE IN USE OF EITHER PRODUCTIVE FOREST**
20 **PROPERTY OR AGRICULTURAL USE PROPERTY, THE PROPERTY IS NO LONGER**
21 **ELIGIBLE FOR EXEMPTION AS QUALIFIED FOREST PROPERTY UNDER**
22 **SUBDIVISION (K) (iii) .**

23 (E) ~~(d)~~—"Department" means the department of agriculture and
24 rural development.

25 (F) ~~(e)~~—"Forest management plan" means a written plan prepared
26 and signed by a qualified forester that prescribes measures to
27 optimize production, utilization, and regeneration of forest

1 resources. The forest management plan shall include a schedule and
2 timetables for the various silvicultural practices used on
3 forestlands, which shall be a maximum of 20 years in length. A
4 forest management plan shall include all of the following:

5 (i) The name and address of each owner of the property.

6 (ii) The legal description and parcel identification number of
7 the property or of the parcel on which the property is located.

8 (iii) A statement of the owner's forest management objectives.

9 (iv) A map, diagram, or aerial photograph that identifies both
10 forested and unforested areas of the property, using conventional
11 map symbols indicating the species, size, and stocking rate and
12 other major features of the property, including the location of any
13 buildings. The location and use of any buildings can be established
14 on a map created by a qualified forester and does not require a
15 survey by a registered surveyor.

16 (v) A description of forest practice, including harvesting,
17 thinning, and reforestation, that will be undertaken, specifying
18 the approximate period of time before each is completed.

19 (vi) A description of soil conservation practices that may be
20 necessary to control any soil erosion that may result from the
21 forest practice described pursuant to subparagraph (v).

22 (vii) A description of activities that may be undertaken for
23 the management of forest resources other than trees, including
24 wildlife habitat, watersheds, and aesthetic features.

25 (G) ~~(F)~~—"Forest practice" means any action intended to improve
26 forestland or forest resources and includes, but is not limited to,
27 any of the following:

1 ~~—— (i) The preparation of forest management plans for forestland.~~

2 (i) ~~(ii)~~—The improvement of species of forest trees.

3 (ii) ~~(iii)~~—Reforestation.

4 (iii) ~~(iv)~~—The harvesting of species of forest trees.

5 (iv) ~~(v)~~—Road construction associated with the improvement or
6 harvesting of forest tree species or reforestation.

7 (v) ~~(vi)~~—Use of chemicals or fertilizers for the purpose of
8 growing or managing species of forest trees.

9 (vi) ~~(vii)~~—Applicable silvicultural practices.

10 (H) ~~(g)~~—"Forest products" includes, but is not limited to,
11 timber and pulpwood-related products.

12 (I) ~~(h)~~—"Harvest" means the point at which timber that has
13 been cut, severed, or removed for purposes of sale or use is first
14 measured in the ordinary course of business as determined by
15 reference to common practice in the timber industry.

16 (J) **"PRODUCTIVE FOREST" MEANS REAL PROPERTY CAPABLE OF GROWING**
17 **NOT LESS THAN 20 CUBIC FEET OF WOOD PER ACRE PER YEAR. HOWEVER, IF**
18 **PROPERTY HAS BEEN CONSIDERED PRODUCTIVE FOREST, AN ACT OF GOD THAT**
19 **NEGATIVELY AFFECTS THAT PROPERTY SHALL NOT RESULT IN THAT PROPERTY**
20 **NOT BEING CONSIDERED PRODUCTIVE FOREST.**

21 (K) ~~(i)~~—"Qualified forest property" means a parcel of real
22 property that meets all of the following conditions as determined
23 by the department of agriculture and rural development:

24 (i) Is not less than 20 contiguous acres in size. For parcels
25 less than 40 acres, not less than 80% shall be stocked with
26 productive forest capable of producing forest products. For parcels
27 40 acres or more, not less than 50% shall be stocked with

1 productive forest capable of producing forest products. Contiguity
2 is not broken by a road, a right-of-way, or property purchased or
3 taken under condemnation proceedings by a public utility for power
4 transmission lines if the 2 parcels separated by the purchased or
5 condemned property were a single parcel prior to the sale or
6 condemnation. ~~As used in this subparagraph, "productive forest"~~
7 ~~means real property capable of growing not less than 20 cubic feet~~
8 ~~of wood per acre per year. However, if property has been considered~~
9 ~~productive forest, an act of God that negatively affects that~~
10 ~~property shall not result in that property not being considered~~
11 ~~productive forest.~~

12 (ii) Is subject to an approved forest management plan.

13 (iii) ~~For a parcel exempt as qualified agricultural property~~
14 ~~under section 7ee, the qualified forest portion of the parcel shall~~
15 ~~be not less than 20 contiguous acres. If the qualified forest~~
16 ~~portion of the parcel is less than 40 acres, not less than 80%~~
17 ~~shall be stocked with productive forest capable of producing forest~~
18 ~~products. If the qualified forest portion of the parcel is 40 acres~~
19 ~~or more, not less than 50% shall be stocked with productive forest~~
20 ~~capable of producing forest products.~~

21 **IF A PARCEL CONTAINS BOTH**
22 **PRODUCTIVE FOREST AND AGRICULTURAL USE PROPERTY, AN OWNER MAY APPLY**
23 **FOR A DESIGNATION AS QUALIFIED FOREST PROPERTY IF THE COMBINED**
24 **ACREAGE OF THE PRODUCTIVE FOREST AND THE AGRICULTURAL USE PROPERTY**
25 **MEETS ALL OF THE FOLLOWING REQUIREMENTS:**

26 (A) **THE PARCEL IS NOT LESS THAN 20 CONTIGUOUS ACRES. IF A**
27 **PARCEL IS LESS THAN 40 ACRES, NOT LESS THAN 80% SHALL BE THE**
COMBINED PRODUCTIVE FOREST AND AGRICULTURAL USE PROPERTY. IF THE

1 PARCEL IS 40 ACRES OR MORE, NOT LESS THAN 50% SHALL BE THE COMBINED
2 PRODUCTIVE FOREST AND AGRICULTURAL USE PROPERTY.

3 (B) THE ACREAGE OF AGRICULTURAL USE PROPERTY ON THE PARCEL
4 SHALL BE DETERMINED BY THE ASSESSOR IN THE LOCAL TAX COLLECTING
5 UNIT IN WHICH THE PARCEL IS LOCATED. THE PROPERTY OWNER SHALL
6 REQUEST THE DETERMINATION. THE ASSESSOR SHALL REPORT THE ACREAGE OF
7 THE AGRICULTURAL USE PROPERTY IN A FORM PRESCRIBED BY THE STATE TAX
8 COMMISSION TO THE PROPERTY OWNER AND THE DEPARTMENT WITHIN 30 DAYS
9 OF THE DATE OF THE REQUEST FOR THE DETERMINATION. AN OWNER THAT
10 DISAGREES WITH AN ASSESSOR'S DETERMINATION OF THE ACREAGE OF
11 AGRICULTURAL USE PROPERTY ON THE PARCEL MAY APPEAL THAT
12 DETERMINATION TO THE BOARD OF REVIEW UNDER SECTION 53B. IF THE
13 PROPERTY OWNER CONVERTS ALL OR PART OF THE AGRICULTURAL USE
14 PROPERTY TO FOREST PROPERTY BY PLANTING TREES OR OTHER MEANS, THE
15 PROPERTY OWNER SHALL NOTIFY THE DEPARTMENT AND THE ASSESSOR OF THE
16 CONVERSION AND THE FOREST MANAGEMENT PLAN SHALL BE MODIFIED TO
17 REFLECT THE CHANGE IN USE.

18 (l) ~~(j)~~—"Qualified forester" means an individual who meets 1
19 or more of the following requirements and has registered with the
20 department of agriculture and rural development under section 51306
21 of the natural resources and environmental protection act, 1994 PA
22 451, MCL 324.51306:

23 (i) Is a forester certified by the ~~society~~ **SOCIETY** of American
24 ~~foresters~~ **FORESTERS**.

25 (ii) Is a forest stewardship plan writer.

26 (iii) Is a technical service provider as registered by the
27 United States ~~department~~ **DEPARTMENT** of agriculture ~~AGRICULTURE~~ for

1 forest management plan development.

2 (iv) Is a registered forester.

3 (M) ~~(K)~~—"Registered forester" means a person registered under
4 article 21 of the occupational code, 1980 PA 299, MCL 339.2101 to
5 339.2108.