

New York Society of American Foresters

Position Statement on the proposed Amendment of The New York State Real Property Tax Law, 480a

Position:

The New York Society of American Foresters (NYSAF) supports the proposed amendment of New York State Real Property Tax Law (NY RPTL) 480a. It is the belief of NYSAF that amending 480a to create a new RPTL Section 480b will provide new opportunities for landowners that are currently ineligible for 480a. Landowners under this proposed new program will benefit from both the professional advice of natural resource managers and real property tax savings. Essential natural functions of the land will be maintained, and forests will remain forests. NYSAF believes that reducing the minimum qualifying acreage from 50 acres to 25 acres will benefit a large sector of landowners that are currently ineligible for the 480a program. NYSAF also believes this new program will help to reduce the increasing trend of land fragmentation and parcelization that is in part caused by the current real property tax burden.

NYSAF further supports offering landowners a greater real property tax exemption by encouraging landowners to pursue a certified forest management option that will also reduce the work load for staff at the New York Department of Environmental Conservation (NYS DEC).

NYSAF also supports the removal of the 6% stumpage tax currently found in 480a.

SAF strongly believes that reimbursement, of lost tax revenues to local governments, due to the change of assessed value of forest land, because of enrollments in 480a and 480b, is a critical component of this proposed legislation.

Issue:

The New York State, Real Property Tax Law, Section 480a, also known as the Forest Tax Law or 480a has been in effect since 1978, without modification. Since that time 480a has been utilized by approximately 3,400 landowners, representing approximately 15% of the properties that are eligible for exemption under this law. At the time the 480a law was created, the science of forestry recognized timber management as the principle function of forest management. Since that time forest management has grown to recognize the many facets of both forest and closely related sciences (landscape management, hydrology, entomology and ecosystem management, etc.). Foresters and land managers now recognize the importance of forest ecologies, wetlands, fallow fields, open space, and water ways for their important ecosystem services like nutrient filtration, ground water recharge, soil retention, air filtration, sound pollution control, aesthetics, habitat, carbon sinks, in addition to the traditional production of products essential to society like wood fiber, furniture, biofuel products and the like.

The current proposed amendment, found in the Governor's proposed budget and legislative agenda for 2018, not only reduces the eligible acreage from 50 to 25 acres, but also includes wetlands, fallow fields, open space and waterways. By including these types of lands and waters the proposed amendment (480b) expands conservation efforts to lands that are currently under pressure and being lost to development, protecting both the ecosystem services and the potential for forest conservation on these lands.

There is currently a means for reimbursement to local governments due to reduced assessed value of properties enrolled in 480a. However, there is no legal requirement for New York State Office of Real Property Services to evaluate the effects of 480a on local governments. The proposed amendments to 480a enacts legislation to require regular evaluation of the effects of 480, 480a and 480b on the

assessed values of real property within effected towns, requiring reimbursement of towns exceeding 1% shift in assessed value due to 480, 480a and 480b.

Back Ground:

The New York State RPTL, Section 480a, otherwise known as 480a or the Forest Tax Law, was enacted in 1974. Forest tax exemptions have been in effect in New York State since 1912. "Section 480 of the Real Property Tax Law became effective October 1, 1959 as an amended version of the Fisher Forest Tax Law of 1926". In 1976 the law was again amended (becoming effective in 1978) due to concerns over the lack of requirements found in the 480. The 1976 amendment (section 480a) has been in effect, without amendment of the legislation or the rules and regulations since 1976. Since 1976 just over one million acres have been enrolled in 480a, involving approximately 3,400 landowners across New York State. The land managed under 480a accounts for approximately 100 million board feet of saw timber harvested and approximately 1 million greens tons of chips and pulpwood products harvested annually.

Currently 480a does not address the issue of smaller forest (parcelization) or the need to conserve resources other than wood fiber. The amended, 480b, recognizes the change in parcel size in New York and address other important natural resources.

References:

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Sampson, N., L. DeCoster. 2000. Forest Fragmentation: Implications for Sustainable Private Forests. *Journal of Forestry*. 98: 4-8

Stone, R.S, M.L. Tyrrel. 2012. Motivations for Family Forestland Parcelization in the Catskill/Delaware Watershed of New York. *Journal of Forestry*. 110: 267-274

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Approved by the New York Society of American Foresters Executive Committee on .