
APPRAISAL OF TIMBERLAND

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INTRODUCTION

THE APPRAISAL OF TIMBERLAND IS A PROCESS THAT INCLUDES AN APPLICATION, MANAGEMENT PLAN, PHYSICAL INSPECTION, COMMUNICATION, DUE DILIGENCE, ACCESSIBILITY, TIME MANAGEMENT, EDUCATION, COOPERATION, SHARED KNOWLEDGE AND UNDERSTANDING OF THE RULES THAT GOVERN EVERYONE



SIX TIMBERLAND ELIGIBILITY REQUIREMENTS

1. Application to land and all appurtenances (not improvements).
2. Current and active devotion to timber use.
3. Timber production must be primary use.
4. Passed the degree of intensity test
5. Intent to produce income
6. Passed historical test

THERE IS OVER 8,017,238 ACRES OF LAND IN TEXAS THAT IS TIMBERLAND AS OF A 2021 REPORT FROM THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS. APPROXIMATELY 83% IS AT PRODUCTIVITY, APPROXIMATELY 13% IS RESTRICTED USE, AND APPROXIMATELY 4% IS TRANSITION TO TIMBER





THE APPRAISAL OF
TIMBERLAND STARTS
WITH A COMPLETE
APPLICATION AND A
TIMBER MANAGEMENT
PLAN.

Source: Texas Comptroller of Public Accounts, 2021

THE APPLICATION

1. AN APP CAN BE PICKED UP AT THE DISTRICT, OR FOUND THRU THE DISTRICT WEBSITE, OR THE PROFESSIONAL MANAGEMENT COMPANY YOU HIRE CAN FILL OUT THE APP FOR YOU AND SUBMIT THE APP WITH THE MANAGEMENT PLAN DIRECTLY TO THE DISTRICT.
2. MAKE SURE THAT YOU RECEIVE A TIME STAMPED COPY OF THE COMPLETED APPLICATION ONCE IT IS TURNED IN.
3. APPLICATIONS MUST BE RECEIVED BY THE DISTRICT NO LATER THAN APRIL 30TH OF THE YEAR THE EXEMPTION IS REQUESTED.
4. AN APPLICATION IS CONSIDERED “LATE” IF RECEIVED AFTER APRIL 30TH AND RECEIVED BEFORE JULY 20TH AND A 10% PENALTY IS APPLIED FOR LATE FILING.
5. APPLICATIONS CANNOT BE CONSIDERED AFTER JULY 20TH AND THE EXEMPTION WILL NOT BE ALLOWED FOR THAT YEAR.
6. SPECIAL CIRCUMSTANCES FOR LATE FILING MUST BE APPROVED BY THE CHIEF APPRAISER TO AVOID PENALTIES.
7. THE APP MUST CONTAIN THE INFORMATION NECESSARY TO DETERMINE THE VALIDITY OF THE CLAIM WITHOUT CONTAINING FALSE STATEMENTS.
8. THE APP MUST BE SIGNED !!!
9. BE SURE TO FILE THE CORRECT APPLICATION. 1-D-1 OPEN SPACE TIMBERLAND FORM 50-167 AND/OR RESTRICTED-USE TIMBERLAND FORM 50-281.

THE APPLICATION

Application for 1-d-1 (Open-Space) Timberland Appraisal Form 50-167

Tax Year _____

Appraisal District's Name _____ Appraisal District Account Number (if known) _____

GENERAL INFORMATION: Texas Constitution, Article VIII, Section 1-d-1, and Tax Code, Chapter 23, Subchapter E, provide for appraisal of open-space land devoted principally to producing timber and forest products based on its capacity to produce these products.

FILING INSTRUCTIONS: This form must be filed with the appraisal district office in each county in which the property is located. **Do not file this document with the Texas Comptroller of Public Accounts.**

SECTION 1: Property Owner/Applicant

The applicant is the following type of property owner:

Individual Partnership Corporation Other (specify): _____

Name of Property Owner _____

Physical Address, City, State, ZIP Code _____

Primary Phone Number (area code and number) _____ Email Address* _____

Mailing Address, City, State, ZIP Code (if different from the physical address provided above) _____

SECTION 2: Authorized Representative

If you are an individual property owner filing this application on your own behalf, skip to Section 3; all other applicants are required to complete Section 2. Please indicate the basis for your authority to represent the property owner in filing this application:

Officer of the company General Partner of the company Attorney for property owner

Agent for tax matters appointed under Tax Code Section 1.111 with completed and signed Form 50-162

Other and explain basis: _____

Name of Authorized Representative _____

Title of Authorized Representative _____ Primary Phone Number (area code and number) _____ Email Address* _____

Mailing Address, City, State, ZIP Code _____

SECTION 3: Property Description and Information

Provide the descriptive information requested below for the property that is the subject of this application or attach last year's tax statement, notice of appraised value or other correspondence identifying the property.

Account Number (if known) _____ Number of Acres (subject to this application) _____

Legal description, abstract numbers, field numbers and/or plot numbers:

Form developed by: Texas Comptroller of Public Accounts, Property Tax Assistance Division For additional copies, visit: comptroller.texas.gov/taxes/property-tax
50-167 • 02-22/11

Application for Restricted-Use Timber Land Appraisal Property Tax Form 50-281

Appraisal District's Name _____ Phone (area code and number) _____

Address, City, State, ZIP Code _____

IMPORTANT INFORMATION FOR APPLICANTS

Land qualifies for restricted-use timber land appraisal if it is in an aesthetic management zone, critical wildlife habitat zone or streamside management zone or if timber was harvested from the land when it was qualified for timber land appraisal and has been regenerated for timber production to the intensity that is typical in the area. If you have questions on completing this application or on the information concerning additional taxes and penalties created by a change of use of the land, you may consult the State Comptroller's Manual for the Appraisal of Timber Land and your appraisal district staff. The manual may be found on the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax under the section concerning appraisal manuals.

You must complete this application in full and file it with the chief appraiser before May 1 of the year you are applying for restricted-use timber land appraisal. For good cause shown, the chief appraiser may extend the filing deadline for not more than 15 days. To be accepted, this form must contain information necessary to determine the validity of the claim. If your application is approved, you do not need to file again in later years unless the chief appraiser requests a new application. The chief appraiser may disapprove the application and request additional information. The chief appraiser may request only additional information that is necessary to determine whether the land qualifies for restricted use timber land appraisal if the chief appraiser requests additional information from an applicant, the information must be furnished within 30 days after the date of the request, or the application is denied.

The chief appraiser may deny the application. If your application for restricted-use timber land is based on the land having been harvested and regenerated, you may protest that determination to the county appraisal review board in a timely manner. Before an application for restricted-use timber land appraisal may be denied because the land is not within an aesthetic management zone, critical wildlife habitat zone or streamside management zone, the chief appraiser must request a determination of these conditions from the director of the Texas Forest Service. The director's response is conclusive with regard to the existence, type, location, and size of the zone.

OTHER IMPORTANT INFORMATION

You must notify the chief appraiser in writing if you: stop using your property for agriculture (e.g., you voluntarily decide to stop farming); change the category of your use (e.g., you change from dry cropland to irrigated cropland); change the level of your use (e.g., you substantially increase or decrease the number of cattle you raise); change the nature of your use (e.g., you switch from growing corn to growing ornamental plants); enter, leave or change governmental programs (e.g., you put 100 acres in Conservation Reserve Program); or if you begin using your land for something other than agriculture (e.g., you build a shopping center on most of your land). You must deliver this notice no later than the April 30 following the change in use or eligibility.

PENALTIES

If your land receives agricultural appraisal and you fail to notify the chief appraiser of a change in agricultural use, you may be required to pay a penalty. You will be required to pay a substantial additional tax plus interest (a "rollback" tax) if you stop using all or part of the property for agriculture.

STEP 1: State the Year for Which You are Seeking Restricted-Use Timber Land Appraisal

State the year for which you are seeking restricted-use timber land appraisal _____

Step 2: Provide Name and Mailing Address of Applicant

Applicant's Name _____

Mailing Address (number and street) _____

City, State, ZIP Code _____ Phone (area code and number) _____

Step 3: Describe the Property

Deed Owner _____ Total Acreage that is the Subject of this Application _____

Parcel number or legal description of land containing restricted use zone or harvested land:

The Property Tax Assistance Division at the Texas Comptroller of Public Accounts provides property tax information and resources for taxpayers, local taxing entities, appraisal districts and appraisal review boards.

For more information, visit our website:
www.window.state.tx.us/taxinfo/proptax
50-281 • 10-11/13

FOREST/TIMBER MANAGEMENT PLAN

1. EACH APPLICATION MUST INCLUDE A TIMBER MANAGEMENT PLAN. THERE ARE SEVERAL PROFESSIONAL TIMBER MANAGEMENT COMPANIES WITHIN EACH COUNTY THAT CAN PROVIDE THE SERVICE OF PREPARING A TIMBER MANAGEMENT PLAN THAT MEETS ALL OF THE REQUIREMENTS SET FORTH BY EVERY APPRAISAL DISTRICT IN TEXAS. THESE COMPANIES CAN ALSO COMPLETE THE APPLICATION FOR THE EXEMPTION THAT WILL COMPLY WITH ALL OF THE NECESSARY INFORMATION REQUIRED FOR THE APPROVAL PROCESS. (SAN JACINTO COUNTY PROPERTY OWNERS CAN CONTACT OUR OFFICE AND WE CAN PROVIDE A LIST OF SEVERAL KNOWN FORESTERS WITH CONTACT INFORMATION FOR THEIR CONVENIENCE).
2. TIMBERLAND PRODUCTIVITY VALUE DIFFERS BY FOREST TYPE AND SOIL TYPE AND TIMBER MANAGEMENT COMPANIES ARE EXPERIENCED WITH THEIR COUNTIES TO CORRECTLY IDENTIFY THESE TYPES. THERE ARE 3 FOREST TYPES: PINE, HARDWOOD, AND MIXED AND THERE ARE 4 SOIL TYPES: I, II, III AND IV MAKING A TOTAL OF 12 POSSIBLE CATAGORIES. THESE VALUES MUST BE CORRECTLY IDENTIFIED ON THE MANAGEMENT PLAN SO THAT THE APPLICATION WILL BE APPROVED WITH THE CORRECT PRODUCTIVITY VALUES PER ACRE.
3. THE PROFESSIONAL TIMBER MANAGEMENT COMPANIES ARE AWARE OF THE DEADLINES SET FORTH IN THE TEXAS PROPERTY TAX CODE AND GENERALLY COMMUNICATE DIRECTLY WITH THE DISTRICTS ABOUT EACH SEPARATE ACCOUNT TO ENSURE ACCURACY OF THE INFORMATION PROVIDED FOR CONSIDERATION.
4. CORRECTLY IDENTIFYING FOREST TYPE AND SOIL TYPE DICTATES THE DOLLAR PER ACRE SPECIAL VALUATION AS WELL AS ANY SPECIAL USE OR RESTRICTED USE VALUATIONS.



TIMBER PRODUCTION
MUST BE THE LAND'S
PRIMARY USE.

PRODUCTION

1. LAND THAT IS CURRENTLY AND ACTIVELY DEVOTED TO TIMBER PRODUCTION DOES NOT QUALIFY FOR PRODUCTIVITY APPRAISAL UNLESS TIMBER PRODUCTION IS THE LAND'S PRIMARY USE. THOUGH TIMBER PRODUCTION MUST BE THE PRIMARY LAND USE, OTHER COMPATIBLE USES DO NOT PREVENT LAND FROM QUALIFYING IF TIMBER PRODUCTION REMAINS THE PRIMARY USE. FOR EXAMPLE, IF AN OWNER USES LAND PRINCIPALLY TO GROW TIMBER AND LEASES IT FOR HUNTING, IT WILL QUALIFY.
2. INDICATIONS OF CURRENT AND ACTIVE DEVOTION ARE TIMBER ACTIVITY RECORDS, FOREST MANAGEMENT PLAN, COST SHARING PROGRAMS, EFFORTS TO SELL TIMBER, SALVAGE ACTIVITY, CERTIFIED TREE FARM, MEMBERSHIPS IN ASSOCIATIONS, ASSISTANCE PROGRAMS, PARTICIPATION IN FORESTRY EXTENSION ACTIVITIES AND CONSULTING FORESTERS.
3. TIMBER PRODUCTION MAY NOT BE THE LAND'S PRIMARY USE IF THERE IS PRESENCE OF DEER-PROOF FENCES, LAND BEING READIED OR HELD FOR DEVELOPMENT AND/OR PRESENCE OF HOMES, VACATION FACILITIES, RETREATS AND RECREATIONAL FACILITIES ON THE PROPERTY.
4. A CHIEF APPRAISER MAY ESTABLISH REASONABLE AND CAREFULLY DEVELOPED GUIDELINES FOR DETERMINING PRIMARY USE. ESTABLISHING GUIDELINES REQUIRES THE CHIEF APPRAISER TO BECOME FAMILIAR WITH TIMBER ACTIVITY IN THE AREA. THE CHIEF APPRAISER MAY ALSO RELY ON THE EXPERTISE OF THE AGRICULTURAL APPRAISAL ADVISORY BOARD IN ESTABLISHING PRIMARY USE GUIDELINES.

A close-up photograph of a tree trunk cross-section, showing concentric growth rings and a prominent knot. The wood has a warm, golden-brown hue with darker, textured areas. Two thin white horizontal lines are positioned near the top and bottom of the page.

HISTORICAL USE REQUIREMENT

HISTORY IS IMPORTANT

1. LAND USED PRIMARILY FOR TIMBER PRODUCTION DURING ANY FIVE OF THE PREVIOUS SEVEN YEARS MAY QUALIFY FOR TIMBER PRODUCTIVITY APPRAISAL.
2. A PROPERTY CAN DEMONSTRATE HISTORY VIA HISTORICAL AERIAL VIEWS, CAD RECORDS, EQUIPMENT AND PRODUCT RECEIPTS, WRITTEN STATEMENT, MANAGEMENT PLANS, AGRICULTURE HISTORY AND SALES RECEIPTS.
3. SOME KINDS OF FOREIGN OWNERSHIP MAKE THE LAND INELIGIBLE FOR PRODUCTIVITY APPRAISAL. IF THE PROPERTY OWNER IS A NONRESIDENT ALIEN (A NON-U.S. CITIZEN WHO DOES NOT RESIDE IN THE UNITED STATES), CANNOT QUALIFY.
4. LAND LOCATED WITHIN THE BOUNDARIES OF A CITY OR TOWN OFTEN WILL NOT QUALIFY FOR SPECIAL APPRAISAL. LAND LOCATED WITHIN AN INCORPORATED CITY OR TOWN MUST MEET THE PRODUCTIVITY APPRAISAL CRITERIA AND ONE OF THE FOLLOWING ADDITIONAL CRITERIA: THE CITY OR TOWN MUST NOT PROVIDE THE LAND WITH GENERAL SERVICES COMPARABLE TO THOSE PROVIDED IN OTHER PARTS OF THE CITY OR TOWN. THE LAND WAS DEVOTED PRINCIPALLY TO PRODUCTION OF TIMBER, AGRICULTURE OF FOREST PRODUCTS CONTINUOUSLY FOR THE PRECEDING FIVE YEARS.

A close-up photograph of a wood grain, showing concentric growth rings and a prominent knot. The wood has a warm, golden-brown hue with darker, almost black, areas within the knot. Two thin white horizontal lines are positioned near the top and bottom of the page.

LATE APPLICATION PENALTY

LATE FILE

1. IF APPRAISAL IS APPROVED WHEN THE APPLICATION IS FILED LATE, THE OWNER IS LIABLE FOR A PENALTY OF 10 PERCENT OF THE DIFFERENCE BETWEEN THE AMOUNT OF TAX IMPOSED ON THE PROPERTY AND THE AMOUNT THAT WOULD BE IMPOSED IF THE PROPERTY WERE TAXED AT MARKET VALUE.
2. THE PROPERTY OWNER MUST NOTIFY THE CHIEF APPRAISER NO LATER THAN THE APRIL 30 FOLLOWING THE CHANGE IN USE. A CHANGE OF LAND USE FOR ALL OR PART OF THE PROPERTY WILL TRIGGER SUBSTANTIAL ADDITIONAL TAX PLUS INTEREST (A ROLLBACK TAX). PAYMENT OF A PENALTY MAY ALSO BE REQUIRED FOR FAILURE TO NOTIFY THE CHIEF APPRAISER.
3. NOTICE MUST BE DELIVERED TO THE CHIEF APPRAISER IF: THE PROPERTY STOPS BEING USED FOR TIMBER PRODUCTION, CATEGORY OF LAND USE CHANGES, OR THE LAND IS USED FOR SOMETHING OTHER THAN AGRICULTURE (E.G., TO BUILD A SHOPPING CENTER ON MOST OF THE LAND).



SUMMARY

THE APPRAISAL OF
TIMBERLAND IS A PROCESS
THAT INCLUDES AN
APPLICATION,
MANAGEMENT PLAN,
PHYSICAL INSPECTION,
COMMUNICATION, DUE
DILIGENCE, ACCESSIBILITY,
TIME MANAGEMENT,
EDUCATION, COOPERATION,
SHARED KNOWLEDGE AND
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RULES THAT GOVERN
EVERYONE

THANK YOU

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