

factsheet



How Managed Forest Land is Assessed

BC Assessment

BC Assessment assesses managed forest land using a two-step process:

Step One:

BC Assessment determines the value of the land without trees. Other factors are considered. For example, the land's soil quality, location, topography, and accessibility are evaluated.

BC Assessment applies a schedule of regulated values to the bare land. These regulated values are used to help BC Assessment fairly and uniformly determine the assessed value of all managed forest land in British Columbia.

In Step One, trees are not assigned a value.

Step Two:

Only after the trees on managed forest land have been harvested will BC Assessment add the assessed value of the trees cut to the bare land value of the land. The value of the trees harvested in any year is added two years later to the property's assessed value.

If the property owner sells the managed forest land before the assessment notice is issued, the owner of the land on December 31 in the year following the harvest will be liable for any outstanding taxes.

The result of using this two-step process is that managed forest land assessments tend to stay fairly stable. Only at the time of harvest, when the property owner receives the benefits of the harvest, will the value of cut timber be assessed and added to the bare land value of the property.

The Forest Land and Cut Timber Values regulation (BC Reg. 90/2000) contains the schedules of value for land and timber.

Declaring the Amount of Harvested Timber

Every year owners of managed forest land in British Columbia must declare any timber harvesting which occurred on their properties. This declaration can be made verbally in the case of no harvesting. Where harvesting occurred, a written and signed report must be submitted to BC Assessment.

BC Assessment will review the declaration and assess cut timber in accordance with the *Assessment Act* and the Regulated Schedules of Value.

Assessment and Taxes for Managed Forest

Managed forest land is taxed at a rate similar to, or lower than rural residential land, however the method of determining the assessments generally produce values lower than values influenced by market factors other than forest use.

More Information

For more information on Managed Forest Land assessments or details on your Managed Forest property assessment, contact your local BC Assessment office, or Cost and Legislated Assessment Services (CLAS) toll-free at 1-800-661-2116.

For information on the requirements to obtain managed forest classification, contact the **Private Managed Forest Land Council** at www.pmflc.ca or by phone at (250) 387-5737.