

Key Milestones of the Tree Growth Tax Law and Related Issues

- 1972: Tree Growth Tax Law became law without Governor's signature (PL 1971, c. 616). All forest land parcels larger than 500 acres required to be enrolled. Parcels between 10 and 500 acres could be enrolled at landowner's discretion.
- 1981: Repeal of mandatory classification of 500+ acre parcels; tightened eligibility requirements; required annual valuations; changed municipal reimbursement formula (PL 1981, c. 517).
- 1987 Amendment excludes from program parcels greater than 100 acres in which the value of recreational lease exceeds tree growth value (PL 1987, c. 755).
- 1989 Forest management and harvest planning requirement imposed. Statement from licensed forester that plan is being correctly implemented required. Landowners enrolled prior to 30 September 1989 grandfathered until 01 April 1999. All classifications after 30 September 1989 required to file statement of plan upon classification. Upon change of ownership, new owner required to file new statement within one year (PL 1989, c. 555, c. 637).
- 1991 Amendment allows landowner to write management plan, provided it is reviewed and certified by a licensed forester (PL 1991, c. 428)
- 1993 Amendment eliminates personal use exemption for parcels of less than 100 acres. Properties so enrolled required to comply with management plan requirements or withdraw by 01 April 1994. Change of use of such properties before 01 April 1999 would subject landowner to additional penalty (PL 1993, c. 452).
- 1994 Legislature establishes Subcommittee to Review Changes in Tree Growth and Open Space Laws, further amends law. PL 1993, c. 576 repealed change of use penalty and extended date for compliance for properties classified under personal use exemption to 01 April 1999.
- 1995: PL 1995, c. 236 amendments:
- allowed owners of parcels classified under personal use exemption to pay withdrawal penalty over five-year period;
 - definition of commercial harvesting changed; definition of forest products that have commercial value added.

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2001: PL 2001, c. 603 amendments

- require landowner to indicate on FON whether land is enrolled in TGTL; whether harvest follows plan (since repealed);
- on transfer of property, a statement that the landowner has a new plan or has adopted previous landowner's plan, no harvesting within one year without either condition satisfied;
- established sideboards for municipal requests for assistance from MFS.

2007: Resolve 2007, c. 197 directed MFS to report to the Taxation Committee regarding the work of a task force convened to examine certain issues regarding the Tree Growth Tax Law.

2011: PL 2011, c. 618 amendments

1. allow exclusion of minimum shoreland parcel in front of residential dwellings;
2. require landowner to attest that the primary use for the forest land classified in TGTL is to grow trees to be harvested for commercial use or that the forest land is excluded by law from the requirement;
3. establish sidebars for municipal notification of landowners and penalties for non-compliance with requests from assessors;
4. establish a 10% reduction in valuation for Open Space landowners who have and follow a forest management plan.

PL 2011, c. 619 directed MFS to conduct audit of TGTL parcels and report to Taxation Committee on its findings.