

In this illustration, taxes on woodland not in FCMA are taxed at \$50 per acre per year. Taxes and FCMA costs for woodland are \$2.42 per acre per year. This is a savings of \$47.58 per acre per year. Savings on each property will differ depending on land values and acres owned.

This is a twenty fold difference from an assessed value of \$5,000/acre.

### WHAT IS THE CATCH?

You have to retain ownership of the property and follow the plan for at least 15 years. If you do otherwise, penalty taxes will be owed for each of the years that your property was in the plan. When you sell your property, the new owner can assume FCMA and avoid the penalties. For landowners of 50 or more acres you can subdivide one building lot to each of your children. The lot cannot exceed 1 acre or the minimum size required by local codes. Inspections are made by a forester from the MD DNR-Forest Service every five years to monitor progress and provide technical assistance.

### TO APPLY

Call or visit your local office of the MD DNR-Forest Service. Your forester can assist you with more specific information, and if you wish, a brief visit to your property.



**Western Regional Office** 301-777-5818  
 Allegany Project 301-777-5590  
 Frederick Project 301-473-8417  
 Garrett Project 301-334-3296  
 Washington Project 301-791-4733

**Eastern Regional Office** 410-713-3860  
 Kent & Queen Anne's Projects 410-819-4120  
 410-778-4439  
 Caroline & Talbot Projects 410-479-1623  
 Wicomico Project 410-543-1950  
 Dorchester Project 410-228-1861  
 Worcester Project 443-235-1636  
 Somerset Project 410-651-2004

**Central Regional Office** 410-836-4551  
 Baltimore Project 410-665-5820  
 Carroll Project 410-848-9290  
 Cecil Project 410-287-5777  
 Harford Project 410-836-4579  
 Montgomery Project 301-854-6060  
 Howard Project 410-442-2080

**Southern Regional Office** 301-880-2745  
 Charles County 301-934-2543  
 Anne Arundel Project 410-360-8421  
 Prince George's Project 410-535-1303  
 Calvert Project 410 535-1303  
 St. Mary's Project 301-880-2749

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# FOREST CONSERVATION AND MANAGEMENT MEANS PROPERTY TAX SAVINGS



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Larry Hogan, Governor  
 Boyd Rutherford, Lt. Governor  
 Mark Belton, Secretary

## THE FOREST CONSERVATION & MANAGEMENT PROGRAM

In 1957, the Maryland General Assembly passed a law requiring the Department of Natural Resources to formulate a program of forest conservation and management. They understood that well managed forest land benefited everyone in the State. Some of these assets were specifically mentioned in the law including the sale of timber, flood control, erosion control, and open space for beauty and recreation. They also knew that the burden of property taxes often made owning forest land difficult. As a result, the law authorized the freezing of the assessed value of forest land that was managed under the new program called the Forest Conservation and Management Program. Since that time, the program has grown, especially in areas where development pressures are high.

### MINIMUM QUALIFICATIONS

Any owner of 5 or more contiguous acres of forest land may enter the Forest Conservation and Management Program. House sites, crop land and other non-forest open space is not eligible. Open land that was recently planted to forest tree seedlings can be included. So can land that is used to grow Christmas trees if they will be cut at harvest.

Living Christmas trees must not be dug taking the roots and the natural needle mulch with it. This destroys the soil holding benefits those trees once provided and makes the land ineligible for the program.

## PARTICIPATION IN THE PROGRAM

Forest Stewardship is often considered an art as well as a science because the forester, with assistance from other natural resource professionals, must match the objectives of the owner to the biological requirements of the forest. Your acceptance in the Forest Conservation and Management Program will depend upon the specific prescription of stewardship practices such as fish & wildlife, natural heritage and recreation, soil & water and forest products. Tree species, soil, topography, tree age, property location and other factors will have to be evaluated as well as your desires and the requirements of the law. You must have your forest stewardship plan prepared by a registered professional forester and approved by the Director of the Forest Service. The plan must contain a detailed schedule of practices to be accomplished and their completion date.

### FOREST CONSERVATION AND MANAGEMENT AGREEMENT (FCMA)

While your management effort will follow the plan for your woodland, an essential requirement of the program is your contract with the Department of Natural Resources.

The contract is known as the Forest Conservation and Management Agreement (FCMA). It establishes the length of the agreement and the responsibilities of both the owner and the Department. The FCMA must be drawn up for a minimum of 15 years; it can be extended. A memorandum of the FCMA and any subsequent changes are recorded at the county courthouse.

Charges for participating in a Forest Conservation and Management Agreement are as follows. A woodland owner shall pay an entry fee equal to .22 percent of the assessment of their woodland, but not less than \$50.00. Additionally, an inspection fee will be charged every 5 years equal to 20% of the entry fee but not less than \$100.00.

### AN EXAMPLE OF TAX SAVINGS

Based on 50 acres of woodland not enrolled in an FCMA and a tax rate of \$1.00/\$100 of assessed value.

- \* 50 acres @ \$5,000/acre = \$250,000 (assessed value)
- \*  $\$250,000 \div 100 \times 1.00$  (county tax rate) = \$2,500 annual tax bill or \$50.00 per acre.

The same 50 acres of woodland assessed at \$5,000/acre enrolled in the FCMA with the same tax rate of \$1.00/\$100 of assessed value.

- \* 50 acres @ \$125/acre = \$6,250 (assessed value).
- \*  $\$6,250 \div 100 \times \$1.00 = \$62.50$  annual tax bill or \$1.25 per/acre.

#### Plus FCMA fees:

- \* Initial FCMA fee: \$5,000 assessed value x 50 acres x .0022 = \$550.00
- \* Inspection fees: .20 x \$550.00 = \$110.00 x 3 (Inspections) = \$330.00
- \*  $\$550.00 + \$330.00 \div 15$  yrs. = \$58.66 average annual FCMA costs or  $\$58.66 \div 50$  acres = property tax + FCMA fee = \$1.25 + \$1.17 = \$2.42/acre.