



# NH Timber Yield Tax Overview (RSA 79)

## **What is taxable:**

Timber on all landownership is taxable at 10% of the stumpage value at the time of cutting. The only exceptions are shade and ornamental trees, fruit trees, sugar orchards, nursery stock, Christmas trees, firewood for the manufacture of maple syrup and 20 cords of firewood for domestic heating and/or 10 thousand board feet of sawlogs for personal use by the landowner within the state.

## **Who pays the tax:**

1. In the case of joint tenants with rights of survivorship, every person who holds title to the property.
2. Any one or more of the tenants-in-common who holds title to the property.
3. Persons with deeded timber rights on land they previously owned.
4. Persons purchasing stumpage on public lands ie., federal, state, town, etc.

## **Where are the forms available:**

Town offices provide Notice of Intent to Cut forms for original filing and supplemental Notice of Intent to Cut forms for additional volumes exceeding original estimates. Reporting of actual volumes removed must be made to the town on forms provided by the Department of Revenue Administration.

## **When must the paperwork start:**

Before any cutting starts the assessing officials must sign the completed Notice of Intent to Cut form and have 30 days to do so. A Supplemental Notice of Intent must be signed in the same manner for additional volumes. Reports of wood must be filed with the town 60 days after completion or by April 15, whichever comes first. Extensions are allowed upon written request prior to April 1. Certificates issued by the Department of Revenue must be posted in a conspicuous place on the operation site as soon as they are received.

## **When are bonds required:**

Bonds for timber tax are required from non-landowners but cannot be required from landowners cutting on their own land. The bond is usually equal to the amount of expected yield tax.

## **When can you appeal:**

If a taxpayer feels they have been overtaxed they must appeal to the town within 90 days of the tax bill. If the town denies the appeal then the taxpayer may appeal to the Department of Revenue within 180 days of the tax bill for an appeal board hearing.

## **Penalties and dooimage:**

Fines for non-compliance range up to \$2000 and dooimage may be assessed for improper reporting (dooimage is two times what the tax would have been if the Report had been seasonably filed and truly reported).

This is only a synopsis of the law, for further clarification refer to the New Hampshire statues or call 230-5950, Department of Revenue Administration Property Appraisal.