

**AUTHORITY**  
(No. 3 June 1991)

5482

The FTRA, consisting of parts of the Education, Government, Public Resources, Revenue and Taxation Code, and Welfare and Institutions Codes, is the authority for CDF responsibilities in timber taxation.

Because the FTRA does not exist as a single code, it is difficult to respond to requests for copies of the FTRA. The State Board of Equalization (B/E) publishes a booklet entitled, "California Timber Yield Tax Law," containing the principal sections of law and the B/E rules applying to taxation of timber and timberland--the closest thing to a copy of the FTRA. Copies of the 1984 version of this booklet are available from the Board of Equalization.

**BASIC PROVISIONS OF THE FTRA:**

- Replace the ad valorem tax on timber with a timber yield tax to be paid on any trees cut for commercial purposes by the owner of the trees or the purchaser, in the case of public timber, since the new tax is a percentage of the immediate harvest value for timber cut during the previous quarter of the calendar year. Immediate Harvest Values (IHVs) are set through timber sales analysis by the B/E Timber Tax Division staff for each Timber Value Area (TVA). The B/E fixes both the IHVs and TVAs. IHVs are adjusted every six months.
- Provide for the zoning of timberland for taxation purposes by the branch of local government that has taxing jurisdiction. When zoned TPZ, the land value is limited to its value for timber growing and compatible uses, regardless of higher market values for other nontimber growing uses of similar land not zoned or restricted.
- Require findings of public interest and other specified criteria and approval by the zoning authority when the timberland owner requests immediate rezoning from TPZ classification.
- Vest the responsibility for administration of the yield tax and certain other provisions, such as rules for grading timberland as to operability and site determination for timberland evaluation, with the B/E. (The B/E receives funds from the yield tax revenue for costs of administration and has set up a Division of Timber Taxation to carry out these responsibilities).
- Require the B/E to appoint a Timber Advisory Committee composed of one representative from the B/E, one from the Board of Forestry, five assessors from the timber rate adjustment counties, one member representing small scale timber owners, and one member representing large scale timber owners.

**FORMS AND/OR FORMS SAMPLES: RETURN TO ISSUANCE HOME PAGE FOR FORMS/FORMS SAMPLES SITE LINK.**

[\(See next section\)](#)

[\(See Table of Contents\)](#)