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Sent: Thursday, May 14, 2015 10:02 AM
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Subject: Green Space Minutes 05/06/2015
Attachments: Tax.pdf

Green Space Minutes 05/06/2015

It was a pleasant change to take a walk in the woods and call it a meeting. Jim Meyer shared his views on maintaining the train in the 62 acre park land on Locust Corner Road next to the cemetery. It comes down to a few simple rules regarding trail drainage to relative slope. The work to maintain or start a trail can be as simple as volunteer hand labor. Since funds are lacking volunteer users of a trail seems our only cost effective option at this time.

Clarence Roller

Attached is an interesting woodland tax perspective

Meeting attendees:

Tim Hershner

Pat Hogan

Tina Hogan

Jim Meyer

Doug Dresie

Clarence Roller

Opinion & Mailbox

End woodland property tax

GUESS I was asking for it when I put my phone number and email address under a column about Current Agricultural Use Valuation tax reform. I got replies like never before. I heard from young farmers, old farmers, small farmers, big farmers, grain farmers, livestock farmers, Republicans, Democrats and "I hate 'em all" farmers. Despite efforts

Our Say

by the Ohio Farm Bureau, Ohio Farmers Union and Ohio Department of Taxation to adjust CAUV law, there is unbounded taxation frustration in Ohio's farmland.

"Who can I write? Who can I talk to? We

have to do something now!" I heard this over and over.

Of all the calls, I was especially struck by one from Darke County farmer Dan Grimes. Grimes painfully accepted that taxes on his farmland had doubled this year, but what really stuck in his craw was the fact that his woodland tax rate was up 400% from the previous year.

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End Woodland Property Tax

"We have not sold timber off that land since 1982," Grimes said. "It really gets me that they have raised taxes that much on ground that is not even making us any money. Ground that is too wet to farm, even if we wanted to."

I called Larry Gearhardt, an Ohio State University tax specialist. Gearhardt acknowledges that woodland owners have been especially hard hit by the recent increases. He says the jolt could force some to sell property or convert woodlands.

The trouble is the soil types in these woodlots are associated with the highest value of corn, soybeans and wheat, and not timber. The economics of timber and food crops have no correlation. One is used for lumber. One is used for food or fuel. Woodland values include a deduction for land-clearing costs that would turn the woods to cropland. Those values are way outdated — probably two or three times lower than they should be, Gearhardt says.

Furthermore, many of the woodlands are wet areas, and clearing is not allowed near wetlands or flooded areas. Some farm program conservation requirements prohibit such activities anyway. And they should. The last thing we need is to remove the incredible hardwood forests unique to this region of North America.

Our precious woodlands need help, not the least of which is tax reform. The Ashtabula CAUV Task Force reports that a 22-year case study of woodlands showed a net income of negative \$25.67 per acre per year after taxes. For that land, the 2014 CAUV tax of \$385 per acre was 25 times higher than the income from gains on the property. The group is considering recommending to the ODT that CAUV taxes for woodlands be reduced to a flat \$50 per acre.

OK, that's a good step, but let's take a real leap here. Eleven states, including Alaska, Colorado, Nebraska, Montana, North Carolina and Tennessee, exempt some private woodlands from property taxes altogether. Ohio should join that list. We should take the step that would give our woodlands the best help they could ever have by eliminating property taxes. More land would stay in trees, and more land would go into woods. Future Ohioans would reap the benefits of cleaner air and water. Wildlife would prosper. Recreational uses would be developed. Economic opportunities for the timber industry would expand.

As the ODT and agricultural and forestry groups consider ways to improve property tax laws, they should give top priority to woodland preservation.



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