



Assembly Committee on Forestry, Parks and Outdoor Recreation

Clearinghouse Rule 18-086

October 1, 2019

Good afternoon Chairman Mursau and members of the Committee. My name is R.J. Wickham, and I am the Tax Law Section Chief with the Wisconsin Department of Natural Resources Division of Forestry. Thank you for the opportunity to testify for informational purposes on Clearinghouse Rule 18-086, which relates to forest tax programs.

The majority of the proposed revisions in this rule are necessary to reflect statutory changes. Signed into law in April 2016, 2015 Wisconsin Act 358 made a number of changes to ch. 77, Wis. Stats regarding Wisconsin's Forest Crop Law (FCL) and Managed Forest Law (MFL) programs.

The proposed rule updates NR 46, Wis. Adm. Code to

- Be consistent with ch. 77, Wis. Stats.
- Incorporate longstanding policy into rule, by streamlining and clarifying administrative processes to reduce cost and complexity.
- Reinforce adherence to the fundamental purpose of MFL as stated in Wisconsin statutes s. 77.80: "...to encourage the management of private forest lands for the **production of future forest crops for commercial use through sound forestry practices**, recognizing the objectives of individual property owners, compatible recreational uses, watershed protection, development of wildlife habitat and accessibility of private property to the public for recreational purposes."

On behalf of the Division of Forestry, Tax Law Section, Forestry Field Operations Bureau, thank you for your time today. I welcome the opportunity to discuss the rule in more detail and answer any questions you may have. Kassie Lang, DNR Attorney, and Skya Murphy, Tax Law Policy Specialist are also here and available to address questions.