



Managed Forest Land Program

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The Managed Forest Land (MFL) program is the primary forest tax law program in Wisconsin and is administered by the Department of Natural Resources (DNR). In exchange for meeting program requirements and following an approved management plan, MFL owners pay MFL program rates for property enrolled in the program instead of property taxes. This issue brief summarizes some of the key components of the MFL program.¹

PROGRAM ELIGIBILITY

To be eligible for enrollment in the MFL program, a parcel of land must satisfy size and productivity requirements. A parcel must consist of at least 20 contiguous acres, or be composed of two 10 contiguous acre portions, that are not contiguous to each other, if they are on a tract of land under the same ownership. Additionally, at least 80 percent of the parcel must be producing, or capable of producing, a minimum of 20 cubic feet of merchantable timber per acre per year. Unless the MFL parcel or part of a parcel is closed to public access, it must be accessible to the public on foot by public road or from other land open to public access.

Certain types of land are ineligible for enrollment in the program. Parcels developed for commercial recreation, industry, or uses incompatible with forestry are not eligible. Additionally, state law generally prohibits the enrollment of a parcel if there is any “building or improvement associated with a building” located on the parcel. An exception to that general prohibition allows buildings used exclusively for storage.²

An MFL applicant must provide DNR with a proposed management plan covering each parcel in the application. The plan must include specific information, such as the owner’s forest management objectives, the forestry practices that will be undertaken, and the time period in which each practice will be completed. A proposed management plan must be prepared by an independent certified plan writer, or by DNR if it determines the applicant is unable to have a plan prepared by an independent certified plan writer.

MFL ORDER

If an application is approved, DNR issues an “order” enrolling the property in the MFL program. An MFL applicant chooses whether the MFL order will be in effect for 25 or 50 years. An MFL order constitutes a contract between the state and the owner, and DNR is generally prohibited from amending or otherwise changing the terms of an existing order or management plan to conform with changes made to an MFL statute or rule after the order was entered or the management plan was approved.³ With DNR approval and payment of a fee, a parcel of any size may be added to an MFL order if it is contiguous to MFL land under the same ownership. If the additional parcel is not contiguous, it must be at least 10 acres on a tract of land under the same ownership, and must meet the eligibility criteria from the original enrollment order. An MFL owner who satisfies statutory requirements may apply for renewal of the owner’s MFL order.

OPEN AND CLOSED LAND

Land enrolled in the MFL program may be designated as “open” or “closed”. Open MFL land must be open to the public for hunting, fishing, hiking, sightseeing, and cross-country skiing, and be accessible on foot by public road or from other land open to public access. Participants whose land is not closed to public access make “acreage share payments,” which are calculated by the Department of Revenue every five years based on a formula in statute. A landowner has the option of designating up to 320 acres per

municipality as “closed” if an additional fee is paid for each acre closed to public access. There are no statutory restrictions on leasing land in the MFL program.

CUTTING NOTICES

Before an MFL owner may cut timber on their MFL land, the owner must file a notice of intent to cut and request approval of the proposed cutting from DNR, unless an exception applies. Under these exceptions, DNR approval is not required if the cutting notice was provided by a cooperating forester or by a forester accredited by one of several specified organizations, or by a person who has five years of experience engaged in the full-time profession of managing forests, including timber harvesting, wildlife, water quality, and recreation to maintain a healthy and productive forest.

REQUIRED AND VOLUNTARY WITHDRAWAL

In some cases, state law requires DNR to order land withdrawn from the MFL program. For example, DNR must withdraw land if an investigation determines noncompliance with eligibility requirements or a management plan, cutting contrary to state law, development or use of MFL land incompatible with program purposes, or denial of public access to open MFL land. Additionally, DNR must order withdrawal of MFL land after an MFL property’s tax deed has been taken or an owner fails to pay property tax for a building on MFL property. If a person transfers MFL land that no longer meets eligibility requirements, or a person who receives transferred MFL land does not certify their intent to comply with the existing management plan, DNR must issue an order withdrawing the land from the program. If land is withdrawn pursuant to DNR order, the MFL owner is generally required to pay withdrawal taxes and the \$300 withdrawal fee.⁴

An MFL owner may request to withdraw land from the program, but may have to pay withdrawal taxes and the withdrawal fee depending on the reason for withdrawal. Types of voluntary withdrawal that require these payments include withdrawal with no specific reason given, and withdrawal of one to five acres for use as a construction site.⁵

Under certain circumstances, an owner may request withdrawal of their MFL land without paying withdrawal taxes or the withdrawal fee. Specifically, if DNR determines that the parcel is unable to meet productivity requirements, or is unsuitable for the production of merchantable timber, due to environmental, ecological, or economical concerns or factors, DNR must issue a withdrawal order for the land without requiring these payments. The order must withdraw only the number of acres necessary for the parcel to resume its productivity. If the land remaining after either type of withdrawal will not meet the eligibility requirements, DNR must withdraw the entire parcel from the program.

An owner may also request to transfer ownership of MFL land for certain public purposes specified in the state law without paying withdrawal taxes and the withdrawal fee.

¹ The program was created in 1985 and has been amended numerous times since its enactment. MFL program requirements are provided in ss. [77.80](#) to [77.91](#), Stats., and ch. [NR 46](#), Wis. Adm. Code.

² An “improvement” is any structure or fixture that is built or placed on the parcel for its benefit or landscaping done on the parcel. However, “improvement” does not include: a public or private road; a railroad or utility right of way; certain fences; culverts; bridges; certain hunting blinds; or structures and fixtures needed for sound forestry practices. [s. [77.82\(1\)\(b\)](#) and [\(bp\)](#), Stats.]

³ If a statute or rule is enacted during the period of the order that materially changes its terms, the owner must either accept the modified contract or voluntarily withdraw his or her MFL land without penalty. A statutory change does not constitute a material change to an MFL order unless the act that makes the change states that the act or a provision in the act makes a material change to orders entered under prior law. Similarly, a promulgated rule does not constitute a material change to an order unless the rule includes a statement that it constitutes a material change to orders entered under prior rules, and DNR includes in its report to the Legislature a statement that the rule constitutes a material change to orders entered into under prior rules and an analysis of this determination. This change first applied to a statutory change in an act that takes effect on the effective date of 2021 Wisconsin Act 230 (April 10, 2022). [s. [77.82\(8\)](#) and [\(11\)](#), Stats.]

⁴ Withdrawal taxes for land withdrawn from the program are assessed at a rate equal to the property tax rate applicable to the land in the previous year, multiplied times the number of years the land was enrolled in the program, or 10 years, whichever is less. A different tax formula applies to land withdrawn from a large property. [s. [77.88\(5\)](#), Stats.]

⁵ Such withdrawals are authorized one time during a 25-year order and two times during a 50-year order. An owner may sell or transfer part or all of their MFL land an unlimited number of times. [ss. [77.88\(2\)\(a\)](#) and [\(3j\)](#), Stats.]