



NH DEPARTMENT OF REVENUE ADMINISTRATION

Municipal and Property Division / Timber Bureau

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Synopsis of New Hampshire Timber Tax Law

The Notice of Intent to Cut (RSA 79:10)

The State of New Hampshire has a real estate tax and by definition timber is considered to be real estate and therefore taxable. However, the method in which it is taxed is different from other real estate and is described in the State Constitution. Timber is only taxed at the time it is cut at a rate which encourages the growing of timber. In order for the municipal assessing officials to be aware of cutting operations they must be notified of the cutting by the owner filing a form PA-7, Notice of Intent to Cut Timber (Intent). The Intent is required by law to notify the municipal assessing officials, NH Department of Revenue Administration (DRA) and the NH Department of Natural and Cultural Resources, Division of Forest & Lands. Timber cut on all land is taxable at 10% of the stumpage value at the time of cutting. The exemptions, which do not require an Intent and timber is not taxable, are as follows:

1. 15,000 board feet of saw logs and 30 cords of fuel wood for personal use by the owner. (RSA 79:1 II (b)(1) & (b)(2))
2. 15,000 board feet of saw logs, 30 cords of wood, and 300 tons of whole tree chips for land conversion purposes when all permits for the conversion have been received. (RSA 79:1 II (b)(5))
3. Shade and ornamental trees, usually considered to be trees within striking distance of a building. (RSA 79:2)
4. Christmas trees, fruit trees, and nursery stock and short rotation tree fiber. (RSA 79:2)
5. Any amount of firewood for maple syrup production. (RSA 79:1 II (b)(2))
6. Government, cities, school districts and other political subdivisions and clearing or maintenance of rights-of-way where the timber is not sold. (RSA 79:1 II (b)(3) & (4))

The Intent must be complete including a volume estimate, signed by the assessing officials, issued an operation number, and posted on the job site before any cutting requiring an Intent can start.

A supplemental Intent shall be required when the total volume of the cut will exceed the total volume estimated by 25%. If a timber tax bond was required with the original Intent, an additional bond will be required with supplemental Intent which shall be submitted to the municipal assessing officials and signed before the original volumes are exceeded. Intent forms are available at municipal offices, by calling the DRA at (603) 230-5950, emailing a request to timber@dra.nh.gov or from the DRA website at: [Timber Tax | NH Department of Revenue Administration](#).

Town officials have 15 days to sign the Notice of Intent to Cut (RSA 79:10 I (b)) or to notify the owner and logger of the requirements that have not been met. An Intent may not be signed **only** for the following reasons:

1. The form has been improperly filled out. (RSA 79:10)
2. Land is enrolled in the unproductive current use category that does not allow timber harvesting. (RSA 79-A:2, XIII, Current Use Administrative Rule Cub 306.02 (a))
3. A timber tax bond is required but has not been posted. (RSA 79:3-a)
4. All owners of record listed on the property record card have not signed the intent to cut. (RSA 79:1 II (a) & RSA 79:10 I (a))

If the municipal officials have not signed the Intent within 15 days of receipt and have not notified the owner or logger the reason(s) it has not been signed, the landowner may post a copy of the Intent that was submitted to the municipality with the date stamp of the date the Intent was submitted and begin the cutting operation. (RSA 79:10-I(b) and Rev 3402.05)

Tax Responsibility: (RSA 79:1 II (a) and Rev 3402.03)

The timber tax is the responsibility of the owner. There are four types of ownership:

1. Owner with timber rights on their own land (joint tenants).
2. Owner with timber rights on their own land (tenants in common).
3. Persons with deeded timber rights on land they previously owned.
4. Persons purchasing timber on public lands Federal, state, county, town, etc.

Timber Tax Bond (RSA 79:10-a and Rev 3405.01)

Owners that own land within the town the cutting is to take place and are current on property taxes and timber taxes cannot be required to post a timber tax bond. All other owners must post a timber tax bond before the Intent is signed. Timber tax bonds are equal to the estimated timber tax.

Extensions (RSA 79:10 II) (RSA 79:11 II and Rev 3401.05)

Extensions are allowed upon written request by the owner to the assessing officials prior to April 1. Extensions allow cutting to continue through June 30 and reports are due August 15.

Report of Wood Cut (RSA 79:11, Rev 3403.01 and Rev 3403.02)

Form PA-8, Report of Wood Cut (Report), are provided to the individual indicated on the filed Intent with a Certificate of Timber Tax (PA-6), which must be posted at the job site. Reports must be filed with the municipality and DRA within 60 days of completion or by May 15, whichever comes first. The Report serves as the basis for determining the timber tax.

Appeal Process (RSA 79:8)

If a taxpayer believes they have been overtaxed, they must appeal in writing to the municipality within 90 days of the tax bill. If the municipality denies the appeal, then the taxpayer may appeal to the Board of Tax and Land Appeals (BTLA) within 6 months of the tax bill for an appeal board hearing. The Guideline to Assessing Timber is available on the DRA website to assist owners and municipalities in the proper assessment of timber per NH timber tax law.

Penalties, Doomage and Enforcement (RSA 79:12) (RSA 21-J:39) (RSA 79:28, 28-a)

Fines for non-compliance range up to \$2,000. A doomage penalty may be assessed for improper reporting (Doomage is two times what the tax would have been if the Report had been timely filed and truly reported). The NH Department of Natural and Cultural Resources, Division of Forest and Lands, has the authority to issue a cease and desist for any cutting operation not in compliance with RSA 79.

This is only a synopsis of the law, further clarification and reference to the applicable laws and rules may found on the DRA website at: <https://www.revenue.nh.gov/taxes-glance/timber-tax>.