



U.P. Association of County Commissioners

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[www.upcap.org](http://www.upcap.org)

Chippewa County Resolution 13-09

**RESOLUTION FOR EQUITABLE TAX  
ON COMMERCIAL FOREST RESERVES  
(PA 94 of 1925)**

**WHEREAS**, The State of Michigan established PA 94 of 1925 the Commercial Forest Act to not pay ad valorem general property tax, but to instead pay a reduced specific tax on commercial forest land, currently at \$50.00 per 40 acres (\$1.25 per acre), and

**WHEREAS**, The State of Michigan has control over Commercial Forest Reserve (CFR) specific tax with no local input, and

**WHEREAS**, currently local tax averages \$750.00 per 40 acres (\$18.75 per acre) compared to \$50 per 40 acres for Commercial Forest Reserve land, and

**WHEREAS**, The Upper Peninsula currently has approximately 2,186,500 acres (98% of the total CFR) and the Northern Lower Peninsula has approximately 40,490 acres (1.8%) in CFR. This represents 21% of the total land in the Upper Peninsula, and added to the 42% of land currently held by State and Federal Governments, equals about 63% of the total land in the Upper Peninsula, and

**WHEREAS**, This Upper Peninsula CFR land has a tax rate at less than 10% of its assessed value, and Federally and State owned lands also receive only a small portion of true assessed value through PILT reimbursements to local and county governments, and

**WHEREAS**, there is incentive to not remove land from CFR (Approximately \$4,000 to \$6,000 penalty plus increased taxes), and

**WHEREAS**, State control over CFR lessens the ability of local governmental units to control revenues, and

**WHEREAS**, we currently do not receive operating millage, which pays for services such as schools, township portions of road maintenance, road patrol, fire departments, libraries, cemeteries, rescue squads, parks and recreation, children and youth programs, and veterans care, and

**WHEREAS**, CFR land is not handicapped accessible which limits use by our disabled population and our disabled veterans,

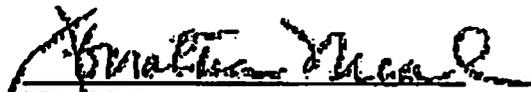
**THEREFORE, BE IT RESOLVED THAT**, The State of Michigan allow county and local governments to collect full market value tax rate on CFR land, and

**BE IT FURTHER RESOLVED THAT, The State of Michigan pay the full tax rate directly to local county governments for distribution to local units of government, and**

**BE IT FURTHER RESOLVED THAT, The State wave or reduce the penalty on removing land from CFR, and**

**BE IT FINALLY RESOLVED THAT, this resolution be forwarded to the Michigan Association of Counties, all local county governments holding CFR properties, and all U.P. Legislators.**

**THEREFORE, BE IT RESOLVED THAT that the Upper Peninsula Association of County Commissioners (UPACC) supports the equitable tax on Commercial Forest Reserves (PA 94 of 1925). Motion passed unanimously.**

  
UPACC Secretary

May 16, 2013  
Date

Resolution Declared Adopted

State of Michigan )

County of Chippewa )

I hereby certify that the foregoing is a true and complete copy of the resolution adopted by the County Board of Commissioners of chippewa county at a regular meeting held on June 10, 2013, and I further certify that public notice of such meeting was given as provided by law.

  
Catherine Maleport, County Clerk