

## WISCONSIN COUNCIL ON FORESTRY

Scott Walker, Governor Reply to:

P.O. Box 7921

Madison, WI 53707-7921 Office: 608/261-7599 Fax: 608/266-6983 Email: henry@newnorth.net

June 16, 2015

Henry Schienebeck Chairman Butternut

> Jane Severt Vice-Chair Rhinelander

R. Bruce Allison Verona

> **Troy Brown** Antigo

Matt Dallman Tomahawk

Paul DeLong Madison

> Tom Hittle Tomahawk

James Hoppe Rhinelander

James Kerkman Bangor

Rep. Jeffrey Mursau Crivitz

> Kimberly Quast Fond Du Lac

Mark Rickenbach Madison

> Paul Strong Rhinelander

Sen. Tom Tiffany Madison

> Virgil Waugh Milton

Richard Wedepohl Madison Honorable Senator Alberta Darling
Honroable Representative John Nygren
Wisconsin Joint Committee on Finance members

RE: Fiscal Bureau Paper #321, Timber as an Agricultural Product

Dear Co-Chairs Alberta Darling, John Nygren and Committee Members,

The Council on Forestry asks that you recognize timber as an agricultural crop for purposes of the Manufacturing and Agricultural Tax Credit and do not approve the modification in #321.

Appointed by the Governor, the Wisconsin Council on Forestry is a diverse group of leaders in the forestry community who direct Wisconsin's effort to maintain Wisconsin's forest products industry. The Council was created by State Statute 26.02 in July 2002 to advise the governor, legislature, Department of Natural Resources and other state agencies on a host of forestry issues in the state.

To provide a more level playing field, the Council believes that those landowners who grow the raw material needed by our forest products industry should have the same tax credit available to them as they have for producing our state's other agricultural products.

In a communication from the Department of Revenue, which provided a general analysis only, we were advised that an expansion of the tax credit that included forest products grown on lands classified as "productive forest", "agricultural forest", "undeveloped" or "other", would have an individual/corporate revenue cost in the realm of the following:

FY 2015: \$1.0 million FY 2016: \$4.1 million FY 2017: \$5.0 million FY 2018: \$5.4 million Thank you for considering this request and if we can be of any further assistance on this matter please do not hesitate to contact us.

Sincerely,

Henry Schienebeck, Chair Wisconsin Council on Forestry

Henry Schienebeck

\*Please note that due to the nature of their positions, Representative Jeffrey Mursau and Senator Tom Tiffany respectfully withdraw their names as signatories of this letter.

Attachments: DOR correspondence, LFB paper #321

Cc: Representative Robin Vos, Assembly Speaker

Representative Jim Steineke, Assembly Majority Leader Representative Peter Barca, Assembly Minority Leader Senator Scott Fitzgerald, Senate Majority Leader

Senator Mary Lazich, Senate President

Senator Jennifer Shilling, Senate Minority Leader

Representative Jeff Mursau, Chair, Assembly Committee on Environment and Forestry

Representative Cory Mason, Ranking Member, Assembly Committee on Environment and Forestry

Representative Alvin Ott, Chair, Assembly Committee on Natural Resources and Sporting Heritage

Representative Nick Milroy, Ranking Member, Assembly Committee on Natural Resources and Sporting Heritage

Senator Robert Wirch, Ranking Member, Senate Committee on Mining, Forestry and Sporting Heritage