

**TIMBER MANAGEMENT
GUIDELINES
FOR AG CLASSIFICATION
PENNINGTON COUNTY, SD**



South Dakota State Law allows for different classifications of land for taxation purposes. In Pennington County, the following definition is used to determine timber as an agricultural endeavor.

“Timberland” is defined as “lands which are devoted primarily to the growth and harvest of forest crops for production purposes”

Forest Management for AG classification purposes is the application of appropriate technical forestry principles, practices and business techniques (accounting, cost/benefit analysis) to the management of a forest for the raising and harvesting of timber as required by law. Stated more simply, forest management, for the purpose of AG classification, is the practice of managing the forest resources for timber production and harvest.

A Forest Management Plan (FMP) prepared by a professional forester is requested in order to maintain AG Classification for timberland pursuant to SDCL 10-6-112. A FMP is a specific statement of the objectives you have for your timberland, followed by a series of activities that will take place in order to meet those objectives. It identifies intended methods of cutting, reforestation, and managing timber resources within the defined area of responsibility.

In Pennington County – the following “guidelines” are applied:

- 1) A FMP with a primary objective of harvesting timber, prepared by a professional forester, should be submitted with the application for AG classification.
- 2) Verification the landowner is actively working the FMP shall occur.
 - a. A physical inspection of the property is required every five (5) years by a professional forester to verify the FMP is being actively implemented. Ongoing activities such as commercial and pre-commercial thinning of trees, reforestation activities, burning, cruising (inventorying), and any other activity recommended in the FMP should be readily apparent to the professional forester and the county assessor.
 - i. The Pennington County FMP Inspection Form shall be completed by a professional forester and returned by the

landowner to the County Equalization Office by October 30th of each inspection year.

- ii. Inspection forms completed for a Certified Tree Farm may be accepted if the principle use of the property is devoted to the production and harvest of forest crops pursuant to the FMP.
 - b. Documentation in the form of an activity schedule is required to prove activities and improvements have been carried out to further the goals of the FMP. Records should include dates and details relating to the specific activities such as any seedlings planted, herbicides, contractors, and results of any follow-up monitoring.
 - c. Receipts from the sale of timber and expenses incurred from the timber operation shall be provided.
 - d. If a property is leased, a copy of the lease shall be provided with the application. The lease must have the name and address of both the lessor and the lessee.
 - 3) There is a reasonable expectation of profit from the pursuit of the production and harvest of timber resources.
 - 4) The expected sale date of the timber products is to be provided. Consideration will be given as there are many factors that weigh in the expected sale date such as: markets, products, threats (insects), fire, growth, etc.
- To determine the proper classification of property for assessment purposes, the Director of Equalization for Pennington County may conduct a full onsite inspection of the subject property and request any additional records/documentation from the owner/operator of the subject property as deemed necessary.