Georgia Department of Revenue

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The material within is intended to give the course participant a solid understanding of general principles in the subject area. As such, the material may not necessarily reflect the official procedures and policies of the Georgia Department of Revenue or the Department's official interpretation of the laws of the State of Georgia. The application of applicability to specific situations of the theories, techniques, and approaches discussed herein must be determined on a case-by-case basis.

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Georgia Department of Revenue

Hearing Officer Update

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Georgia Department of Revenue

Hearing Officer Update

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48-5-311(g.1)

- *The provisions in subsection (c) of Code Section 48-5-299 shall apply to the valuation, unless otherwise waived in writing by both parties, as to:*

- *(1) The valuation established or announced by any county board of equalization, arbitrator, hearing officer, or superior court; and*

- *(2) Any written agreement or settlement of valuation reached by the county board of tax assessors and the taxpayer as permitted by this Code section.*

SB 258 - 2016 legislation

(9) Notwithstanding any other provision of law to the contrary, on any real property tax appeal made under this Code section on and after January 1, 2016, the assessed value being appealed may be lowered by the deciding body based upon the evidence presented but cannot be increased from the amount assessed by the county board of tax assessors.

SB 258 - 2016 legislation

This subsection shall not apply to any appeal where the taxpayer files an appeal during a time when subsection (c) of Code Section 48-5-299 is in effect for the assessment being appealed.

48-5-299(c)

48-5-299 - HB202 version

- (c) When the value of real property is reduced or is unchanged from the value on the initial annual notice of assessment and such valuation is established as the result of either an appeal decision rendered pursuant to Code Section 48-5-311 or stipulated by agreement of the parties to such an appeal that this subsection shall apply in any year, the valuation so established by appeal decision or agreement may not be increased by the board of tax assessors during the next two successive years, subject to the following exceptions:

48-5-299 – SB258 version

- *(c) When the value of real property is reduced or is unchanged from the value on the initial annual notice of assessment or a corrected annual notice of assessment issued by the board of tax assessors and such valuation has been established as the result of an appeal decision rendered by the board of equalization, hearing officer, arbitrator, or superior court pursuant to Code Section 48-5-311……*

48-5-299 – SB258 version

- *….or stipulated by written agreement signed by the board of tax assessors and taxpayer or taxpayer's authorized representative, the new valuation so established by appeal decision or agreement may not be increased by the board of tax assessors during the next two successive years, unless otherwise agreed in writing by both parties, subject to the following exceptions*:

48-5-299(c)

Valuation Established in an Appeal

1) *taxpayer or representative* ***does not attend appeal hearings*** *or* ***provide*** *BOE, hearing officer or arbitrator with* ***written evidence*** *supporting taxpayer's opinion of value*

2) *taxpayer* ***files return at different valuation*** *during next two years*

3) *If taxpayer files appeal during next two years BOE, hearing officer or arbitrator may increase or decrease value based on evidence presented by the parties*

48-5-299(c)

Valuation Established in an Appeal

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2) *taxpayer* ***files return at different valuation*** *during next two years*

~~3) *If taxpayer files appeal during next two years BOE, hearing officer or arbitrator may increase or decrease value based on evidence presented by the parties*~~

48-5-299(c)

Valuation Established in an Appeal

(3) Unless otherwise agree in writing by the parties, if the taxpayer files an appeal pursuant to Code Section 48-5-311 during the next two successive years, the board of tax assessors, the board of equalization, hearing officer, or arbitrator may increase or decrease the value of the real property based on the evidence presented by the taxpayer during the appeal process; and

48-5-299(c)
Valuation Established in an Appeal

4) The board of tax assessors may increase or decrease value of real property if after **visual onsite inspection** it is found that there have been …
   - **Substantial** additions, deletions or improvements
   - **Errors** in the board of tax assessor records
   - Occurrence of **material factors that substantially affect the fair market value**

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560-11-10-.09(c)(2) Real Property Appraisal
Changing assessment of recently appealed real property

With respect to the term ‘substantial’; when making determinations of whether to increase a recently appealed property the appraiser shall consider the subject property components since the time of the appeal(appeal hearing date), such as the value of new improvements, value of additions to existing improvements (footprint of exchanged structure has been altered), major remodeling or renovations to existing structures (footprint of exchanged structure has not been altered), and adjustments to land due to consolidation of tracts, new surveys, zoning changes, land use changes.

560-11-10-.09(c)(2) Real Property Appraisal
Changing assessment of recently appealed real property

In the event an appealed property is renovated or remodeled, the term substantial shall be construed such that both the property owner and BOA would reasonably conclude a major renovation/remodeling has occurred. Any modifications made to the appealed property after the appeal hearing date that result in a lower value of the appealed property shall be considered in the final valuation of property for the subsequent January 1 assessment.

560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.

- The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.

560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.

(1) Parties shall have the right to be represented by legal counsel. Documents or other written evidence to be presented at the hearing by a party must be provided to the other party not less than seven (7) days prior to the time of the hearing and that any failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such documents or other written evidence. The decision to continue a proceeding or exclude documents or records shall be within in the discretion of the hearing officer.

560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.

(2) The parties shall also have the right to respond and present evidence on all issues involved and to cross-examine all witnesses.

560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.

(3) The standard of proof on all issues in the hearing shall be a preponderance of the evidence. A preponderance of the evidence is established when one party's evidence is of greater weight or is more convincing than the evidence offered in opposition to it, in that, the evidence, when taken as a whole, shows that the fact in dispute has been proven by one party to be more probable than not.

560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.

(4) When a hearing is being held regarding a county's board of tax assessors' tax assessment, the county board of tax assessors shall have the burden of proof in regards to fair market value and the validity of proposed assessment, not taxability.

560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.

(a) If a hearing is being held regarding a property tax exemption, then the party seeking the property tax exemption shall have the burden of proving entitlement.

560-11-13-.05 Subpoena Forms; Service.

(1) Either party may obtain subpoena forms from the Clerk of Superior Court by making a timely request.

(2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

560-11-13-.08 Ruling; Decision.

(1) The decision of the county hearing officer shall clearly state the ruling regarding the property's value and uniformity, where applicable.

(2) The decision of the county hearing officers shall be rendered pursuant to O.C.G.A. § 48-5-311 (e.1)(7).

(3) When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, the decision of the county hearing officer shall be provided to such agent, representative, or attorney pursuant to O.C.G.A. § 48-5-311(o).

48-5-311(o)

- When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, and a copy of such written authorization is provided to the county board of tax assessors, all notices required to be provided to the taxpayer under this Code section, including those regarding hearing times, dates, certifications, notice of changes or corrections, or other official actions, shall be provided to the taxpayer and the authorized agent, representative, or attorney.

48-5-311(o)

- The failure to comply with this subsection with respect to a notice required under this Code section shall result in the tolling of any deadline imposed on the taxpayer under this Code section with respect to that notice.

Georgia Department of Revenue

48-5-311(h)

Recording of interviews or hearings

48-5-311(h)(1)

- In the course of any assessment, appeal, or arbitration, or any related proceeding, the taxpayer shall be entitled to:
- Have an interview with an officer or employee, that is authorized to discuss tax assessments… relating to the valuation of the taxpayer's property
- taxpayer may record the interview at the taxpayer's expense and with equipment provided by the taxpayer……

48-5-311(h)(1)(A)

…..and no such officer or employee of the board of tax assessors may refuse to participate in an interview relating to such valuation for reason of the taxpayer's choice to record such interview;

(B) Record, at the taxpayer's expense and with equipment provided by the taxpayer, all proceedings before the board of equalization or any hearing officer.

48-5-311(h)(2)

- granted to the taxpayer within 30 calendar days from the postmark date of the taxpayer's written request
- conducted in the office of the board of assessors.
- within such 30 calendar day period, mutually agreed between the taxpayer and the taxing authority.
- The taxing authority may extend the time period for the interview an additional 30 days upon written notification to the taxpayer.

48-5-311(h)(3)

- *superior courts of this state shall have jurisdiction to enforce*
- *directly and without the issue being first brought to any administrative procedure or hearing*
- *awarded damages in the amount of $100.00 per occurrence*
- *entitled to recover reasonable attorney's fees and expenses of litigation*

48-5-311(e.1)

Hearing Officers

48-5-311(e.1)(1)(A)& (B)(ii)

Hearing Officer Appeals

- Value and Uniformity
- Value in excess of $750,000
  - –Non-Homestead real property
  - –Wireless property

Hearing Officer / Property Types

Nonhomestead Real Property – with a value in excess of $750,000

If such taxpayer owns nonhomestead real property contiguous to such qualified nonhomestead real property, at the option of the taxpayer, such contiguous property may be consolidated with the qualified property for purposes of the hearing under this subsection.

Contiguous property

Consolidated with qualified property for purposes of the hearing

Hearing Officer / Property Types

Wireless Property – with an *aggregate fair market value in excess of $750,000.00* as shown on the taxpayer's annual notice of current assessment under Code Section 48-5-306

personal property or equipment used directly for the provision of wireless services by a provider of wireless services which is attached to or is located underneath a wireless cell tower or at a network data center location but which is not permanently affixed to such tower or data center so as to constitute a fixture.

48-5-311(e.1)(2)

Who can serve?

Real Property…. state certified general real property appraisers or state certified residential real property appraisers as classified by GREAB

Wireless Property….designated appraisers by a nationally recognized appraiser's organization for wireless property appeals

48-5-311(e.1)(2) & (11)

Hearing Officer training…

- *Initial 8 hr class*
- *Annual 4 hr update*
- GREAB shall annually publish a list of qualified and approved hearing officers
  - *2015 - 66 Hearing Officers*
  - *2016 - 30 Hearing Officers*

48-5-311(e.1)(4) & (5)

- Taxpayer appeals NOA…selects hearing officer as appeal forum

- BOA has 90 days to review appeal
  - If changes are made…30 day notice
  - If taxpayer continues appeal…BOA has 30 days from taxpayers notice to file appeal with Appeal Administrator
  - *Taxpayer may elect to forward appeal to BOE*

48-5-311(e.1)(5)

- BOA has 90 days to review appeal
  - If no changes are made…30 day notice
  - *Taxpayer may elect to forward appeal to BOE*
  - Upon the expiration of 30 notice, the BOA shall certify the notice of appeal … all necessary papers to the appeal administrator for the appeal to the hearing officer, or board of equalization if elected by the taxpayer, and mail a copy to the taxpayer.

48-5-311(e.1)(6)(A)

Who picks?

- the taxpayer and the county board of tax assessors mutually agree
- appeal administrator shall randomly select from GREAB list

shall have experience or expertise in hearing or appraising the type of property that is the subject of appeal

- If no Hearing Officer is found who is willing to serve appeal administrator shall forward to BOE

48-5-311(e.1)(6)(A)

- Hearing officer, in conjunction with all parties to the appeal, shall set a time and place to hear evidence and testimony from both parties.

- The hearing shall take place in the county where the property is located, or such other place as mutually agreed to by the parties and the hearing officer

48-5-311(e.1)(6)(A)

- …shall provide … notice…not less than ten days before the hearing
  - documents
  - other written evidence
- must be provided to the other party not less than seven days prior to the time of the hearing
- failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such documents or other written evidence.

48-5-311(e.1)(7)

The Hearing….

Hearing officer shall …..

- swear in all witnesses,
- perform the powers, duties, and authority of a BOE,
- determine the fair market value of the property ….based upon the testimony and evidence presented during the hearing.

The board of tax assessors shall have the burden of proving its opinion of value and the validity of its proposed assessment by a *preponderance of evidence.*

48-5-311(e.1)(7)

The Hearing….

At the conclusion hearing officer shall

- notify both parties of the decision verbally and
- send both parties the decision in writing or
- deliver the decision by hand to each party, with written receipt

48-5-311(e.1)(9)

If, *at any time during the appeal under this subsection*, the taxpayer and the county board of tax assessors execute a signed written agreement on the fair market value and any other issues raised,: the appeal shall terminate as of the date of such signed agreement; the fair market value as set forth in such agreement shall become final; and subsection (c) of CodeSection 48-5-299 shall apply.

- Decision may be appealed by either party to superior court

48-5-311(e.1)(10)

- Each hearing officer shall be compensated by the county for time expended in considering appeals. The compensation shall be paid at a rate of *not less than $75.00 per hour for the first hour* and not less than $25.00 per hour *for each hour thereafter* as determined by the county governing authority *or as may be agreed upon by the parties with the consent of the county governing authority*.

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Valuation of Georgia Rural Land

Georgia DOR Rules and Regulations

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Appraisal Procedure Manual Rules and Regulations pertaining to the valuation of forestland

- APM 560-11-10-.02 Definitions
- APM 560-11-10-.09 Real Property Appraisal

Georgia Department of Revenue

Appraisal Procedure Manual

560-11-10-.02 Definitions

(aa) Rural land.

- … means any land that that normally lies outside corporate limits, planned subdivisions, commercial sites, and industrial sites.

(l) Large acreage tract

- … means a rural land tract that is greater in acreage than the small acreage break point.

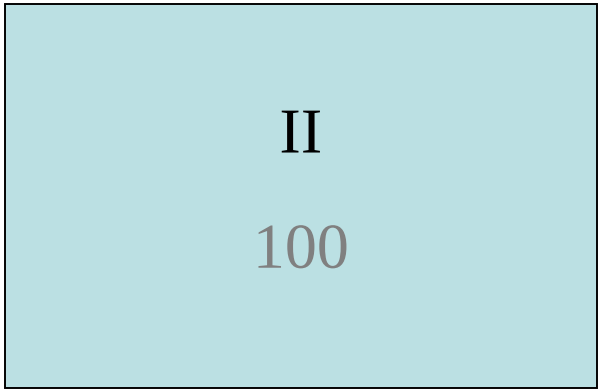
(dd) Small acreage tract.

- … means a rural land tract that is equal to or smaller in acres than the small acreage break point.

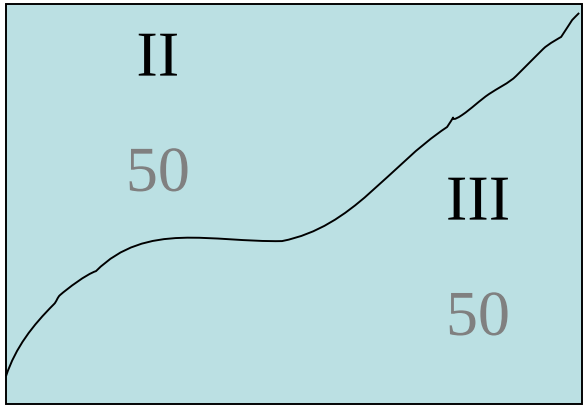
(p) Paired sales analysis

- … means the comparing of the sale prices of similar properties, some with and some without a particular characteristic, in order to determine what portion of the difference in sales price might be attributable to such characteristic.

Paired Sales Analysis Example



50,000



40,000

Paired Sales Analysis Example Calculation

- II – 50,000 / 100 = 500/Ac
- II – 500 * 50 = 25000
- 40,000 – 25,000 = 15,000 (50 ac III)
- III - 15,000 / 50 = 300 /AC

(cc) Small acreage break point.

- … means the point, expressed as a number of acres, at which the slope of a trend line, drawn through the plotted qualified sales of rural land on a graph, reflects a distinct and pronounced change. Such graph uses the dollars per acre on the vertical axis and numbers of acres on the horizontal axis. The small acreage break point should show the point below which the market factors of accessibility and desirability of the land primarily influence value, and above which the productivity of the soil and suitability for timber growth primarily influence value.

(a) Absorption rate

- … means the rate at which the real estate market can absorb real property of a given type.

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Appraisal Procedure Manual

560-11-10-.09 Real Property Appraisal

APM - 560-11-10-.09(2)(d)1

- **Description of property information.**
  - **(ii) - Sales information**
    - The appraisal staff shall maintain a record of all sales of real property that are available and occur within the county.
    - The appraisal staff should also familiarize themselves with overall market trends within their immediate geographical area of the state.
  - **(iii) - Property characteristics**
    - factors that influence the market in the location being considered; requirements of the valuation approach being employed; digest classification and stratification; requirements of other governmental and private users; and marginal benefits and costs of collecting and maintaining each property characteristic, etc.
  - **(iv) – Land and location characteristics**
    - zoning, use, legal or deed restrictions on use, covenants, parcel shape and size, neighborhood and other locational characteristics such as view, topography, and corner influence, proximity to recreational bodies of water, nuisances, similar external influences, etc.

APM - 560-11-10-.09(3)

- **Land Valuation**
  - **(a) – Land analysis & stratification**
    - Appraise land separately from the improvements both to consider the trends and factors affecting each and to arrive at a separate assessment for the digest.
    - Separate appraisals of the land and improvements should not exceed the fair market value
  - **(a)1 – Site Analysis**
    - Shall utilize the trends and factors affecting the value of the subject property, such as its accessibility and desirability
    - Existing zoning, existing use, existing covenants and use restrictions in the deed and in law, etc. shall be considered
  - **(a)2 – Market Research & Verification**
    - The motivations of the buyer and seller, as obtained from actual interviews of the parties to the sales
    - Sales adjustments
  - **(a)2(b) – Acreage Tract Valuation**
    - Determine the small acreage break point to differentiate between small acreage tracts and large acreage tracts and develop or acquire schedules for the valuation of each
    - When this small acreage break point cannot easily be determined, the appraisal staff shall recommend to the board of tax assessors a reasonable break point of not less than five acres nor more than twenty-five acres.

APM - 560-11-10-.09(3)

- Land Valuation
  - The appraisal staff shall estimate land values by use of the sales comparison or income approach to value as provided in this subparagraph giving preference to the sales comparison approach when adequate land sales are available.
    - **(b)1 – Small Acre Tract Valuation Schedule**
      - Small parcel schedule construction
    - **(b)2 – Large Acre Tract Valuation Schedule**
      - Large tract schedule construction
    - **(b)2(i) – Land Productivity Values**
      - Extract the value of all improvements, crop allotments, standing timber, and any other factors that influence the value above the base land value
      - Open land and woodland
      - Up to nine productivity grades for each category of land
    - **(b)2(ii) – Pond Values**
      - Up to three grades of ponds based upon the quality of construction with regard to the dam, the amount of tree clearing within the pond body, and the nature of the waterline around the pond.

APM - 560-11-10-.09(3)

- Land Valuation
  - (b)2(iii) – Location & Size Adjustments
    - Homogeneous market areas defined
    - Develop adjustment factors for ranges of tract sizes where the market reflects a relationship between the value per acre and the number of acres in a tract.
    - A typical agricultural use tract size and assign it an index factor value of 1.0000 (base factor)
    - Sale lookback period
      - Adequate sales 24 months/Inadequate sales 48 months
  - (b)2(iv) – Adjustments for absorption
    - Adjustment factors for those tracts greater in acreage than the typical or standard agricultural tract.
  - (b)2(v) – Standing Timber Value Extraction

Timber Extraction Overview

Timber Regulations

560-11-10-.09(3)(b)2(v) Standing Timber Value Extraction

- *When determining the market value of land underlying standing timber, where such standing timber is taxed in accordance with Code section 48-5-7.5, the appraiser shall not rely exclusively on the sales prices of such land that has recently had the timber harvested. Rather he or she shall also consider sales of land with standing timber after the value of such standing timber has been determined in accordance with this subparagraph and deducted from the selling price.*

Timber Extraction – Tract Size

- What properties/parcels are impacted?
  - All rural land sales (small & large)
  - Timber value determined when there is a “Viable Logging Chance”
    - 10-15 loads
    - Volume and Quality are important
    - Local Timber Market can make a difference

560-11-10-.09(3)(b)2(v)(I) Determine Timber Value from Buyer and Seller

- *For all types of timber, the value of the standing timber on recently sold land should be determined from reliable information from the buyer and seller clearly segregating the value of the standing timber from the underlying land.*

In the absence of buyer/seller information

- 560-11-10-.09(3)(b)2(v)(I)I Calculate Value of Merchantable Timber – older than 15 yrs.
- Estimate volumes of product classes
  - Hardwood and Softwood Pulpwood
  - Softwood Chip and Saw
  - Hardwood and Softwood Sawtimber
  - Softwood Poles
  - Softwood Posts
  - Softwood Fuelchips
  - Hardwood Firewood

Calculate Value of Merchantable Timber

- Estimated volumes maybe obtained by
  - Reliable information from buyer or seller
  - Specially trained data collectors who have estimated volumes from a visual on-site inspection or aerial photos

Calculate Value of Merchantable Timber (cont.)

- Multiply volumes by the table of weighted average prices paid for harvested timber applicable to the year during which the sale occurred and prepared by the Commissioner pursuant to paragraph (g) of Code section 48-5-7.5
- Table of Owner Harvest Values
  - Use the Table of Owner Harvest Timber Value for the year in which the sale occurred.

Volume (Tons) X Unit Price = Value

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Timber Valuation Worksheet - Merchantable Timber				
Map ID: 022-009			Date: 06/30/05	
Buyer/Seller Value:				
Estimated Value Calculations				
Product Class	Volume (Tons)	Unit Price	Value	
Softwood Pulpwood	200	6.13	1,226	
Softwood Chip-n-Saw	1500	21.70	32,550	
Softwood Sawtimber	6300	34.91	219,933	
Softwood Poles				
Softwood Posts				
Softwood Fuelchips				
Hardwood Pulpwood				
Hardwood Sawtimber	550	27.31	15,021	
Hardwood Firewood				
Total Merchantible Timber Value			268,730	
Information Supplied by:				

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Local Government Services Division

Table of Owner Harvest Timber Value
2005

Page 1

County	Softwood Pulpwood	Softwood chip-n-s	Softwood Sawtimber	Softwood Poles	Softwood Posts	Softwood Fuelchips	Hardwood Pulpwood	Hardwood Sawtimber	Hardwood Firewood
APPLING	7.90	22.63	31.51	46.08	3.85	0.75	10.51	21.20	7.11
ATKINSON	8.51	23.13	38.38	42.43	4.43	0.74	8.15	20.46	7.12
BACON	9.59	22.30	33.03	43.66	3.32	0.74	10.01	22.13	7.10
BAKER	6.98	22.37	39.93	56.37	4.93	0.48	8.12	28.84	7.11
BALDWIN	4.67	18.92	38.97	36.92	3.76	0.75	8.96	29.37	7.21
BANKS	6.80	20.19	34.22	52.80	4.75	0.77	8.29	27.27	7.10
BARROW	6.34	20.70	32.25	50.72	4.66	0.75	6.38	26.05	7.07
BARTOW	7.66	23.91	34.22	54.90	4.93	0.75	6.06	21.83	7.10
BEN HILL	6.29	22.11	36.51	43.19	3.59	0.73	6.94	19.84	7.12
BERRIEN	7.54	23.22	39.21	51.35	4.75	0.72	7.94	23.63	7.13
BIBB	5.07	20.25	37.48	39.26	4.88	0.78	8.43	25.72	7.11
BLECKLEY	5.13	16.47	25.43	41.62	4.39	0.78	6.36	20.15	7.11
BRANTLEY	8.35	24.84	33.63	44.58	3.84	0.67	8.64	17.09	7.09
BROOKS	7.35	22.87	39.48	57.41	4.93	0.68	7.45	26.40	7.12
BRYAN	7.20	22.58	37.65	53.25	4.35	0.75	11.45	23.45	7.11
BULLOCH	6.72	22.71	36.40	52.74	3.96	0.75	11.47	24.88	7.11
BURKE	6.13	21.70	34.91	50.75	4.69	0.75	11.70	27.31	7.10
BUTTS	4.87	21.44	38.65	48.91	4.93	0.75	8.10	24.14	7.10

Calculate Value of Pre-Merchantable Timber

- Pre-merchantable timber shall be valued according to procedures detailed in 560-11-10-.09(3)(b)2(v)(I)II
- Value determined by estimating value at age of merchantability and prorating value to age of stand

Calculate Value of Pine Pre-Merchantable Timber

- Estimated tons of timber volume for pulpwood & chip-n-saw at 15 years x local timber prices
- If no local timber prices, use Table of Owner Harvest Timber Values

Calculate Value of Pine Pre-Merchantable Timber

- If no yield data, determine yields by
  - Estimate timber yield at 52.2 tons/ac
  - Adjust for stocking density
  - Assume that 90% is pulpwood; 10% chip-n-saw
- ***OR*** use CU land productivity classes & table of yields & adjust for stocking density

Calculate Value of Pine Pre-Merchantable Timber

- Sum results of product classes into a single value
- Multiply result from above by # of acres of pre-merchantable timber
- Calculate Base Value by deducting the cost to establish timber from the result above

Calculate Value of Pine Pre-Merchantable Timber

- Divide result in previous step by age of merchantability (15 yrs. if no other info) to produce average annual timber growth value
- Multiply result from above by actual age of pre-merchantable timber to arrive at timber value
- Add the cost of establishing timber stand to result above to produce the total value of timber

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Timber Valuation Worksheet - Pine Pre-Merchantable (Planted)				
Map ID:			Date:	
Buyer/Seller Value:				
Estimated Value Calculations				
Product Class	**Vol(Tons)/Acre**	**Unit Price**	**Stocking Density**	**Value**
Pulpwood				
Chip-n-Saw				
Total Value/Acre (Pulpwood + Chip-n-Saw)				
Acres of Pre-Merch				
Total Value (Total Value/Acre x Acres)				
Cost (Cost of Establishing Stand / Acre * Acres)				
Base Value (Total Value – Cost)				
Age of Merch (15 is default; local conditions take precedance)				
Average Annual Timber Growth (Base Value ÷ Age of Merchantability)				
Age of Stand (in years)				
Accumulated Timber Growth (Average Annual Timber Growth * Age of Stand)				

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Timber Valuation Worksheet - Pine Pre-Merchantable (Planted)				
Map ID: 022-010			Date: 06/30/05	
Buyer/Seller Value:				
Estimated Value Calculations				
Product Class	**Vol(Tons)/Acre**	**Unit Price**	**Stocking Density**	**Value**
Pulpwood	74.00	6.13	1.00	454
Chip-n-Saw	8.00	21.70	1.00	174
Total Value/Acre (Pulpwood + Chip-n-Saw)				628
Acres of Pre-Merch				200.00
Total Value (Total Value/Acre x Acres)				125,600
Cost (Cost of Establishing Stand / Acre * Acres)				26,000
Base Value (Total Value – Cost)				99,600
Age of Merch (15 is default; local conditions take precedance)				15
Average Annual Timber Growth (Base Value ÷ Age of Merchantability)				6,640
Age of Stand (in years)				5
Accumulated Timber Growth (Average Annual Timber Growth * Age of Stand)				33,200

Calculate Value of Other Pre-Merchantable Timber

- Value may be determined by best info available
  - Natural Stands less than 5 years of age should be assigned no value
  - Natural pre-merch. Stands greater than 5 years of age should be valued in the same manner as planted pine except no adjustments should be made for the base cost of est. the stand
    - Pine yields should be 50% volume of planted
    - Hardwood yields should be 40% volume of planted