

480-a Forest Tax Law Program Overview

What It Is

The New York Forest Tax Law Program (commonly called “480-a” after the section of the tax code relating to it) is a property tax reduction program. Participation is voluntary, and you must own at least 50 acres of woods in adjoining properties in New York to be eligible. 480-a lowers your taxes by exempting up to 80% of the assessed value of enrolled acreage from property taxes.

480-a offers the potential for you to save substantially on your property taxes every year. It can also help you look after your woodlot for the future and increase your long-term income from your land. However, it requires commitment to managing your woods for ten years. Consider the benefits and obligations carefully before you sign up. You may want to have a professional forester visit your property and provide a second opinion on whether enrollment makes sense for you prior to committing.

To enroll, you’ll need a management plan for your woods prepared by a professional forester and approved by the New York State Department of Environmental Conservation. If your property is inside the New York City Watershed, you can apply to the Watershed Agricultural Council for funding to help offset the cost of getting that plan.

What You’re Signing Up For To Get Your Tax Break

Once you enroll in 480-a, you must commit to following your management plan for ten years. 480-a has an annual recommitment, meaning that each year you receive your tax break, you commit to following your management plan for ten years afterward.

While you are enrolled in 480-a, you may not develop acreage that has had its assessed value exempted. You also may not subdivide your property into areas smaller than 50 acres. When your management plan requires you to harvest trees, you must pay a 6% tax on the value of what you sell. Failure to follow these requirements or your management plan may result in your removal from the program and the assessment of back taxes and penalties.

Frequently Asked Questions About 480-a

What Are My Responsibilities While I’m Enrolled?

Please note: Your forester can help you with all of these tasks.

1. Mark and maintain the boundary lines of your enrolled acreage.
2. File an annual commitment form with your Town Assessor and DEC Regional Forester.

3. Comply with your management plan's work schedule for a ten-year period after obtaining each annual exemption.
4. Submit an updated work schedule every five years.
5. When you're going to harvest trees, submit a notice of cutting to your DEC Regional Forester not less than 30 days prior to cutting. You will need to pay a 6 percent tax on the stumpage value to your County Treasurer within 30 days of the receipt of your trees' certification of value from DEC.

What's a Management Plan?

Management plans show the boundaries and size of your woodlot, what kinds and sizes of trees it contains, and what needs to be done to harvest trees. A plan identifies scheduled commercial harvests, noncommercial thinnings, road construction, and other management practices. These practices are listed in a work schedule that shows the work to be done each year for the next 15 years.

Who Writes the Management Plan? Can I Do It?

Because professional judgment is required to prepare a forest management plan, it must be prepared by a qualified forester. You must pay the cost of this service. Landowners in the New York City Watershed can apply for funding to help offset this cost. A directory of foresters who can help you write your plan is available [here](#).

Do I Have to Follow My Management Plan?

Yes. Failure to adhere to your plan's work schedule will result in revocation of the certificate of approval by the Department of Environmental Conservation and the imposition of penalties and roll-back taxes.

Please note: Although you have to follow your plan, DEC will consider changes to your work schedule. If you need to adjust your plan for any reason, consult your forester for advice.

What Are The Penalties for Not Following the Program?

Properties removed from 480-a are subject to 2.5 times the tax savings, plus interest, for up to the past 10 years you've been enrolled in 480-a. When only portions of properties are removed (for example, if you choose to develop on enrolled land), the penalty is 5 times the tax savings, plus interest, for up to the past 10 years.

Can I Sell My Land While I'm Enrolled?

Yes, but the obligation to follow the management plan stays with the property for the remainder of the commitment period. Also, subdivisions of less than 50 acres will be subject to roll-back taxes if established within the commitment period.

What If I Decide I Don't Like 480-a? Can I Get Out Of It?

Each year you receive your tax break, you commit to following your management plan for the next ten years. If you decide to leave the program, you must still follow your plan for ten years after your tax break ends. If you choose not to follow that plan, you may be subject to back taxes and penalties.