

**88.51 AUXILIARY FORESTS; TAX RATE, SPECIAL TAXES.**

Subdivision 1. **Annual tax, ten cents per acre.** From and after the filing of the contract creating any tract of land an auxiliary forest under sections 88.47 to 88.53 and hereafter upon any tract heretofore created as an auxiliary forest, the surface of the land therein, exclusive of mineral or anything of value thereunder, shall be taxed annually at the rate of 10 cents per acre. This tax shall be levied and collected and the payment thereof, with penalties and interest, enforced in the same manner as other taxes on real estate, and shall be credited to the funds of the taxing districts affected in the proportion of their interest in the taxes on this land if it had not been so made an auxiliary forest; provided, that such tax shall be due in full on or before May 31, after the levy thereof. Failure to pay when due any tax so levied shall be cause for cancellation of the contract.

The levy upon the land of the taxes provided for by section 88.49, subdivision 5, upon the cancellation of a contract, shall discharge and annul all unpaid taxes levied or assessed thereon.

Subd. 2. **Merchantable timber taxed separately.** Timber which is merchantable at the time of filing of an auxiliary forest contract or which may become merchantable thereafter may be cut or otherwise removed from the land in accordance with applicable provisions of law and of the auxiliary forest contract, and shall be taxed in the following manner. The owner shall, in the event the timber is cut or removed within one year after March 31 following the date of filing the auxiliary forest contract, pay a special tax thereon, which is hereby designated as a yield tax, equal to 40 percent of the market value of the merchantable timber on the stump at the time of the cutting or removal. The aforesaid yield tax rate shall be reduced by two percent on each April 1st following until it shall become ten percent after which it shall remain constant. Minerals, mineral reservations, or any other thing of value under the surface of the land in any auxiliary forest shall not be included within the terms of sections 88.47 to 88.53 and shall be taxed separately in the same manner as mineral interests or minerals separately owned are taxed.

Subd. 3. **Determination of market value.** In determining the net tax capacity of property within any taxing district the value of the surface of lands within any auxiliary forest therein, as determined by the county board under the provisions of section 88.48, subdivision 3, shall, for all purposes except the levying of taxes on lands within any such forest, be deemed the market value thereof.

**History:** (4031-65) 1927 c 247 s 6; 1929 c 245 s 1; 1945 c 269 s 3,5; 1947 c 467 s 2,3; 1953 c 246 s 2; 1957 c 694 s 1; 1975 c 339 s 8; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20