

Calculation of Exit Fee

The exit fee is intended to encourage long-term participation in the Managed Forest Program. The exit fee applies to lands that have been assessed as managed forest land for less than 15 years. It is calculated based on the difference between actual property taxes paid, and what the property taxes would have been had the property not been assessed as managed forest land (for example residential class), with a discount related to the number of years as managed forest land class.

Owners of land that has been assessed as managed forest land for 15 years or more will not pay an exit fee. Exemptions also apply in certain circumstances, such as the expropriation or donation of land for public purposes.

The exit fee is calculated as follows:

Private Managed Forest Land Regulation Section 2

Total annual property tax as determined under subsection (2)**

Multiplied by

Number of consecutive years ending in the current tax year that the property has been classified as managed forest land

Multiplied by

Adjustment factor noted in schedule B of the Private Managed Forest Land Regulation for the number of years classified as managed forest land for assessment purposes.

**refers to subsection (2) of the Private Forest Land Regulation excerpt as follows:

for the purpose of ... (determining exit fee) the assessor may determine the total annual property tax that would have been due for the property that is being removed from the managed forest land class, had that property not been valued and classified as managed forest land for the immediately preceding tax year roll, less the total property tax that was payable for the immediately preceding tax year on the property that is being removed from the managed forest land class.