

## How to Estimate Your FCL Withdrawal Tax

**Withdrawal taxes to remove land from the Forest Crop Law (FCL) program can be high!** Please use this worksheet to estimate your withdrawal tax prior to submitting your Declaration of Withdrawal (form 2450-8). The actual FCL withdrawal tax computation will be based on information provided by the municipal clerk, Department of Revenue (DOR) and Department of Natural Resources (DNR).

This estimate can only be used for land enrolled in FCL in one municipality in a given year. Please use a separate worksheet for each municipality or year of entry.

<b>FCL Order Information</b>	<p>You'll need the following information to complete this estimate:</p> <ul style="list-style-type: none"> <li>✓ Order number: _____</li> <li>✓ Years of entry: _____ through _____ = _____ yrs</li> <li>✓ Municipality: _____</li> <li>✓ Acres: _____</li> <li>✓ Special classification (yes/no): _____</li> <li>✓ Assessed value for the FCL land for each year it was enrolled.</li> <li>✓ Net town tax rate for each year.</li> </ul> <p>Contact the municipal clerk for assessed value and net town tax rate information. Contact your local DNR Forester for other information on your FCL Order.</p>
<b>Calculation (use the attached worksheet)</b>	<ol style="list-style-type: none"> <li>1. Fill in the year, assessed value, net town tax rate, and FCL tax paid* (columns 1, 2, 3, and 5) for each year the land was enrolled in FCL. The FCL tax paid is the acreage multiplied by the FCL acreage share tax.* Add additional pages as necessary.</li> <li>2. Fill in the interest rate** and years of interest (columns 7 and 8). The "years of interest" column will be zero for the current year. Add one year as you move up the column. See the example on the last page.</li> <li>3. Multiply the assessed value (column 2) by the net town tax rate (column 3). This is the gross tax due (column 4).</li> <li>4. Subtract the FCL tax paid (column 5) from the gross tax due (column 4). This is the balance (column 6).</li> <li>5. Multiply the balance (column 6), the applicable interest rate (column 7) and the years of interest (column 8). This is the interest (column 9).</li> <li>6. Add the balance (column 6) and interest (column 9). This is the tax plus interest (column 10.)</li> <li>7. Sum the values in column 10. This is your FCL withdrawal tax estimate.</li> </ol>

Note: The DOR and DNR will calculate your withdrawal tax **after** you submit the FCL Declaration of Withdrawal form. This worksheet is provided so that you can estimate your withdrawal tax prior to submitting the Declaration of Withdrawal. The DNR will give credit for any severance taxes, plus interest, paid on timber harvested while the land was in FCL. Your actual withdrawal tax will be different from your estimate.

### \*FCL Tax Paid

<p><b>For land entered before 1972</b>, the FCL acreage share tax is \$.10 per acre. There are also a few FCL special classification entries (between 1950 – 1963) which have a acreage share credit of \$.20 per acre. Ask your DNR forester to see if your land is special classification.</p>	<p><b>For land entered after 1972</b>, the credit is:</p> <ul style="list-style-type: none"> <li>\$ .10 per acre from 1973 through 1982</li> <li>\$ .74 per acre from 1983 through 1992</li> <li>\$ .83 per acre from 1993 through 2002</li> <li>\$1.66 per acre from 2003 through 2012</li> </ul>
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\*\* The interest rate is 5% for land entered in FCL before 1978 and 12% for land entered in 1978 or later.

**Forest Crop Law Withdrawal Tax Estimate Worksheet**

Year 1	Assessed Value 2	x	Net Town Tax Rate 3	=	Gross Tax Due 4	-	FCL Tax Paid 5	=	Balance 6	x	Interest Rate 7	x	Years of Interest 8	=	Interest 9	6+ 9=	Tax Plus Interest 10
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
		x		=		-		=		x		x		=		=	
<b>Forest Crop Law Withdrawal Tax Estimate:</b>															=		
<b>(attach additional pages as needed)</b>																	

**Example Forest Crop Law Withdrawal Estimate Worksheet**

In this example, the current year is 2010 and the land was designated as Forest Crop Law land in 1985.

Year 1	Assessed Value 2	x	Net Town Tax Rate 3	=	Gross Tax Due 4	-	FCL Tax Paid 5	=	Balance 6	x	Interest Rate 7	x	Years of Interest 8	=	Interest 9	6+ 9=	Tax Plus Interest 10
1985	\$5,000	x	.0527472	=	\$263.74	-	\$29.60	=	\$234.14	x	12%	x	25	=	\$702.41	=	\$936.54
1986	\$5,000	x	.0554307	=	\$277.15	-	\$29.60	=	\$247.55	x	12%	x	24	=	\$712.95	=	\$960.51
1987	\$5,000	x	.0550863	=	\$275.43	-	\$29.60	=	\$245.83	x	12%	x	23	=	\$678.49	=	\$924.33
1988	\$5,000	x	.0592012	=	\$296.01	-	\$29.60	=	\$266.41	x	12%	x	22	=	\$703.31	=	\$969.72
1989	\$5,000	x	.0568237	=	\$284.12	-	\$29.60	=	\$254.52	x	12%	x	21	=	\$641.39	=	\$895.91
1990	\$6,000	x	.0509733	=	\$305.84	-	\$29.60	=	\$276.24	x	12%	x	20	=	\$662.98	=	\$939.22
1991	\$8,000	x	.0301940	=	\$241.55	-	\$29.60	=	\$211.95	x	12%	x	19	=	\$483.25	=	\$695.20
1992	\$8,000	x	.0233118	=	\$186.49	-	\$29.60	=	\$156.89	x	12%	x	18	=	\$338.89	=	\$495.79
1993	\$9,500	x	.0242646	=	\$230.51	-	\$33.20	=	\$197.31	x	12%	x	17	=	\$402.52	=	\$599.83
1994	\$9,500	x	.0284809	=	\$270.57	-	\$33.20	=	\$237.37	x	12%	x	16	=	\$455.75	=	\$693.12
1995	\$9,500	x	.0306885	=	\$291.54	-	\$33.20	=	\$258.34	x	12%	x	15	=	\$465.01	=	\$723.35
1996	\$11,500	x	.0340454	=	\$391.52	-	\$33.20	=	\$358.32	x	12%	x	14	=	\$601.98	=	\$960.30
1997	\$11,500	x	.0368023	=	\$423.23	-	\$33.20	=	\$390.03	x	12%	x	13	=	\$608.44	=	\$998.47
1998	\$11,500	x	.0338332	=	\$389.08	-	\$33.20	=	\$355.88	x	12%	x	12	=	\$512.47	=	\$868.35
1999	\$11,500	x	.0329236	=	\$378.62	-	\$33.20	=	\$345.42	x	12%	x	11	=	\$455.96	=	\$801.38
2000	\$15,000	x	.0322202	=	\$483.30	-	\$33.20	=	\$450.10	x	12%	x	10	=	\$540.12	=	\$990.23
2001	\$15,000	x	.0300473	=	\$450.71	-	\$33.20	=	\$417.51	x	12%	x	9	=	\$450.91	=	\$868.42
2002	\$20,000	x	.0263268	=	\$526.54	-	\$33.20	=	\$493.34	x	12%	x	8	=	\$473.60	=	\$966.94
2003	\$20,000	x	.0277319	=	\$554.64	-	\$66.40	=	\$488.24	x	12%	x	7	=	\$410.12	=	\$898.36
2004	\$22,000	x	.0212963	=	\$468.52	-	\$66.40	=	\$402.12	x	12%	x	6	=	\$289.53	=	\$691.64
2005	\$22,000	x	.0200985	=	\$442.17	-	\$66.40	=	\$375.77	x	12%	x	5	=	\$225.46	=	\$601.23
2006	\$22,000	x	.0212708	=	\$467.96	-	\$66.40	=	\$401.56	x	12%	x	4	=	\$192.75	=	\$594.31
2007	\$25,000	x	.0210979	=	\$527.45	-	\$66.40	=	\$461.05	x	12%	x	3	=	\$165.98	=	\$627.02
2008	\$25,000	x	.0227529	=	\$568.82	-	\$66.40	=	\$502.42	x	12%	x	2	=	\$120.58	=	\$623.00
2009	\$32,000	x	.0190215	=	\$608.69	-	\$66.40	=	\$542.29	x	12%	x	1	=	\$65.07	=	\$607.36
2010	\$36,000	x	.0177249	=	\$638.10	-	\$66.40	=	\$571.70	x	12%	x	0	=	\$0.00	=	\$571.70
<b>Forest Crop Law Withdrawal Estimate:</b>																=	\$20,502.22
<b>(attach additional pages as needed)</b>																	