

Managed Forest Tax Incentive Program (MFTIP)

Certain forestlands in Ontario may be privately owned, but they benefit all Ontarians. The Ontario Managed Forest Tax Incentive Program (MFTIP) recognizes the importance of these lands. The goal of the MFTIP is to bring greater fairness to the property tax system by valuing forestland according to its current use. The program is designed to increase landowner awareness about forest stewardship and encourage responsible management of forests on private land in Ontario.

Landowners who apply and qualify for the program have the eligible portion of their property classified and assessed as a managed forest under the Managed Forests property class. The eligible land is taxed at 25% of the municipal tax rate set for residential properties. The Ministry of Natural Resources and Forestry (MNRF) administers the MFTIP.

Program Eligibility

The following criteria must be met for a property to be eligible for the MFTIP:

- The property is located in Ontario;
- The property is owned by:
 - a Canadian citizen(s) or permanent resident(s);
 - a Canadian corporation, partnership or trust; or,
 - a conservation authority.

The forest:

- covers at least four hectares (9.88 acres) excluding residences;
- is on one property with one municipal roll number; and
- must include a minimum number of trees on each hectare.

On eligible properties, residences and landscaped residential use areas are not eligible for the MFTIP. At least one acre is deducted for residences or a group of buildings as defined by the municipal Property Assessment Corporation (MPAC).

Property is not eligible for the MFTIP if:

- it is licensed under the Aggregate Resources Act, or is zoned for aggregate extraction (gravel pits) in areas outside the jurisdiction of the Act; or if
- it is owned by the municipal, provincial or federal government (that pay grants in lieu of taxes).

Participating in the Program

Properties are entered into the MFTIP for a ten-year period. The Managed Forest Tax Incentive Program (MFTIP) Guide has complete program guidelines. The following is an overview.

Prepare a Managed Forest Plan

A plan describes the natural features on your property; why you own the property; and what activities you intend to carry out over the 10 years of your plan. The planning framework is found in *A Guide to Stewardship Planning for Natural Areas*. Activities on properties in the program must be carried out in accordance with "good forestry practices" as defined in the Forestry Act.

Have your plan approved

A person designated by the MNRF, as a Managed Forest Plan Approver must approve your plan. Approvers are independent contractors and charge for their services. You can get a list of approvers from the MFTIP website ontario.ca/MFTIP.

Submit your application package

Application packages are submitted to the MFTIP Administrator. The deadline for new participants is June 30th (of the year before you enter the program).

Follow your plan

Manage your property according to your plan and keep good records.

Follow program guidelines

The program guide has information on how to stay qualified while in the MFTIP, the Five-Year Progress Report, updating your plan and submitting a new application at the end of the ten-year period.

ontario.ca/MFTIP

Privately Owned Forests in Ontario

Around 10% of Ontario's forests are privately owned (6.8 million hectares). Private forest owners range from landowners in Essex County looking after the fragmented natural landscape to large forest companies in northern Ontario contributing to the northern economy.

- 95% of the land in the southern portion of the province is privately owned.
- 15% of the wood processed in Ontario originates from private land. This includes over 8% of the softwood species and 24% of the hardwood species.
- 80% of the provincially listed special concern, threatened, and endangered species occur on private land in southern Ontario.

For more information:

To request an application package that includes the *Managed Forest Tax Incentive Program (MFTIP) Guide*, *A Guide to Stewardship Planning for Natural Areas* and a list of Managed Forest Plan Approvers contact the MFTIP Administrator or download copies from the MFTIP website.

Managed Forest Tax Incentive Program

Ministry of Natural Resources and Forestry

300 Water Street

Peterborough, ON K9J 8M5

Toll free: 1-855-86MFTIP

(1-855-866-3847)

Email: MFTIP@ontario.ca

Website: ontario.ca/MFTIP



Other website resources to help you manage your forest:

- www.forestsontario.ca
- ont-woodlot-assoc.org
- Extension Note Series: www.lrconline.com
- Forest Services Directory for Landowners: www.ontariowoodlot.com
- Tree Planting: www.treesontario.on.ca
- Your local Conservation Authority: www.conservation-ontario.on.ca

Questions about Property Assessment?

The Municipal Property Assessment Corporation (MPAC) assesses property in Ontario. They can answer questions about how the MFTIP will change your property assessment.

MPAC

Toll Free: 1-866-296-MPAC (6722)

Website: www.mpac.ca