



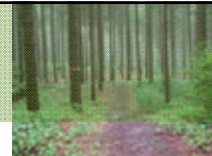
**Managed Forest Tax Incentive Program
Encouraging Responsible Forest Stewardship
Ministry of Natural Resources and Forestry**

Rob Spence
Administrator – MFTIP
OLTA Gathering – Oct 2015

1



**Encouraging Responsible Forest Stewardship:
Overview – Private Lands**

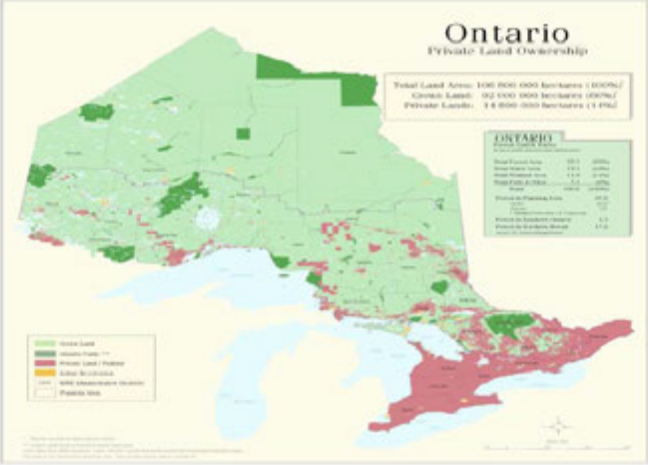


- Ontario has over 14 million hectares (36 million acres) of privately owned lands.
- Private lands contribute to the social, economic and environmental well-being of the province.
- Private lands host some of the most significant natural areas in Ontario and represent approximately 12% of Ontario's productive forest cover.
- The Ministry of Natural Resources and Forestry has developed incentive and granting programs to encourage and promote responsible stewardship on private lands.
- The incentive and granting programs aim to increase landowner awareness while enhancing efforts to conserve and protect our natural heritage.
- Property tax-based incentives assist landowners and have proven to be effective resource management tools (*Managed Forest Tax Incentive Program, Conservation Land Tax Incentive Program*)


2



Encouraging Responsible Forest Stewardship: Private Land Context



Private lands concentrated in southern Ontario



3

Encouraging Responsible Forest Stewardship: Overview - MFTIP


Managed Forest Tax Incentive Program (MFTIP) is a voluntary property tax incentive program designed to encourage responsible forest stewardship on private lands in Ontario.

Program was delivered through a tax rebate system (1971-1997) and in 1998 was transitioned into a tax incentive delivery system in which the property tax benefits are incorporated into the provincial property tax system.

MFTIP is regulated under the *Assessment Act* (O. Reg. 282/98)

MFTIP Goals:

- To bring greater fairness to the property tax system by valuing forested lands according to its current use.
- To maintain and enhance forest health thereby contributing to a healthy environment.





4

Encouraging Responsible Forest Stewardship: Overview - MFTIP *continued*



Objectives:

MFTIP is designed to ...

- Provide a framework for sustainable forestry on private lands
- Increase landowner awareness of forest stewardship
- Encourage landowners to manage their forests in a responsible manner
- Make forest ownership more affordable by reducing tax burdens
- Reduce land use conversion pressures
- Allow property owners to re-invest in their forests
- Maintain and increase forest cover, biodiversity, healthy-resilient ecosystems

5



Encouraging Responsible Forest Stewardship: Overview - MFTIP *continued*



MFTIP Management activities:

Range of stewardship activities including;

- forest management planning (plan implementation & update, 5 Year Progress Reports, plan renewal ...)
- sustainable forestry– silviculture (tree planting, tending, thinning or harvesting of trees ...)
- wildlife management (habitat, browse, seeding, bird boxes, snags ...)
- recreational activities (trails, hunting, birding ...)
- fish habitat (water quality, spawning-nursery areas ...)
- restoration projects (stream, slope stabilization, erosion control ...)
- environmental protection (soil, water, biodiversity, forest cover, invasive species control ...)
- monitoring (forest health, insects, disease, trespassing, unauthorized activities ...)
- education, awareness
- other (fencing, gates, roads, boundary lines, surveys, inventories ...)

6

All activities must be in accordance with “Good Forestry Practices”



Encouraging Responsible Forest Stewardship: Overview – MFTIP *continued*



Benefits:

- Eligible lands are assigned to the Managed Forest property class and the assessment value is determined in a manner similar to farmlands.
- Managed Forest lands are taxed at 25% of the residential tax rate set for residential properties (range of savings on eligible lands 75% to 92%).
- Residences and lands used for other purposes are not eligible.

Eligibility Criteria – Requirements:

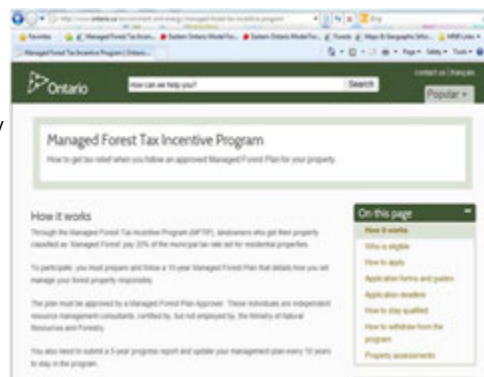
- At least 50% of the property must be owned by Canadian citizens or permanent residents.
- The forest area must cover at least 4 hectares (9.88 acres) and meet tree density requirements.
- Must have a multi-year Managed Forest Plan approved by a certified Managed Forest Plan Approver.
- Submit application by June 30th deadline to MNRF MFTIP program - Peterborough.
- Follow the approved management plan and adhere to good forestry practices.
- Submit a 5-Year Progress Report and Renew your plan-application every 10 years.

Encouraging Responsible Forest Stewardship: Overview – MFTIP *continued*



Managed Forest Plan Approvers:

- MFPA's are independent resource management consultants
- are certified by MNRF to approve Managed Forest Plans prepared under the MFTIP
- MFPA's ensure program standards and eligibility criteria are met
- MFPA Code of Ethics
- can prepare and/or assist in plan development
- fee for service
- fees and services vary
- engage an MFPA early in plan preparation and approval process
- listing on MFTIP website



Encouraging Responsible Forest Stewardship: Overview – MFTIP *continued*



Participation:

- Currently there are over 16,400 properties participating in MFTIP covering more than 1.8 million acres across the province.
- Participation increasing 3-6% each year.
- Approx 90% of participating properties in southern Ontario.

Contact Information:

Rob Spence, RPF
Administrator
Managed Forest Tax Incentive Program

1-855-866-3847 (855-86MFTIP)
E-mail: MFTIP@ontario.ca
www.ontario.ca/MFTIP

