



August 13, 2024

Revenue Interim Committee
68th Montana Legislature
PO Box 201706
Helena, MT 59620

RE: Revise Terms for the Forestland Taxation Advisory Committee PD 24

Chair Beard and Members of the Committee,

The forestland members of Montana Wood Products Association (MWPA), comprising of roughly 800,000 acres, offer the following comments regarding revising the terms of the Forestland Taxation Advisory Committee. The MWPA has been involved in the FLTAC for many years and currently has two members that have been appointed to the committee, Gordy Sanders of Pyramid Mountain Lumber and Paul McKenzie of F.H. Stoltze Land & Lumber Company.

The work of the committee is extremely important to the forest landowners in the state and has helped inform the Department of Revenue on the tax assessment paid by forest landowners. We work diligently with the committee, the Department of Revenue, the Department of Natural Resources and Conservation and the University of Montana to collect the best data possible.

We believe the representative's interests currently reflect the needed expertise and experience to make good decisions, however in the past, it has been difficult to place people on the committee in a timely manner. The intent of the enacting legislation was to ensure a balanced approach to member appointment. Unfortunately, in application, asking both houses of the legislature and the Governor to be involved in the appointment is unwieldy. It is simply important that the committee is made up of forest landowners, county commissioners and forest practitioners that are well versed in managing Montana's forestlands.

The draft proposal before you today suggest a process that may be more cumbersome than what we already have. To ensure the appointments are made in a timely manner and to allow for a process to be developed for interested individuals to submit letters of interest and qualifications, we suggest the Director of the Department of Revenue make the appointments to the committee. Several Department Directors already make appointments to similar non-legislative advisory committees.

We support the same makeup and number of participants: four members with expertise in forest matters, two industrial forest landowners, two non-industrial forest landowners and a county commissioner.

We would like to suggest that a one-year term does not give that member enough time to fully understand the complexities of forestland taxation. We suggest initial appointments stagger by three, four and five years to give committee members enough time to learn the complexities of forestland taxation, with all subsequent appointments made for four-year terms.

Thank you for this opportunity to comment. We look forward to working with the Department and legislature to find a solution that works for everyone.

Best regards,

Julia Altemus

On behalf of Montana industrial forestland owners.