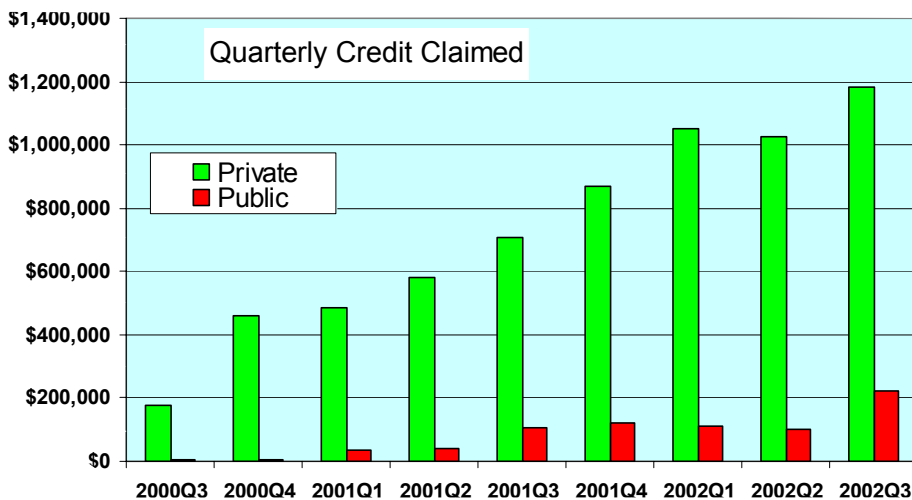


Washington Forest Protection Association

Issue: Salmon Tax Credit

In order to substantiate the salmon tax credit, the legislature directed the Department of Revenue to conduct a study comparing the value of timber left in riparian set-asides with the value of the salmon credit. That report is due November 1st of this year.

Background: The Salmon Credit was created by the legislature as part of the Forest & Fish Law (HB 2091). For qualified harvests, it reduces the effective rate of the forest harvest excise tax from 5.0% to 4.2%. Over a two-year period, the DOR cruised over 100 F&F compliant riparian buffers on private land. The set-aside timber was separated into timber that would have been left under pre-F&F forest practices rules, and timber that was left as a result of the new F&F rules. The report will compare the value of the incremental increase in timber set-asides to the value of the salmon credit.



Action: WFPA served on the steering committee to advise the DOR on the study, worked with WFPA members to ensure access for data collection, and provided feedback to DOR by requesting WFPA members review cruise results.

Result:

- The DOR has produced estimates of the value of timber left in riparian set-asides as a result of Forests & Fish based on real data from actual harvest units.
- These estimates of impact are consistent with those WFPA presented to the legislature during passage of the Forests & Fish Law.
- The report will be presented to the Legislature in 2003 to substantiate the salmon credit.

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