



Hoosier National Forest Happenings



Contact: Franklin Lograsso
812-276-4758, flograsso@fs.fed.us

Issue 19 January 16, 2009

National Forest Makes Payments to Counties

By: Teena Ligman, Public Affairs Specialist, Hoosier National Forest



Does the Federal Government Pay Property Taxes?

Lands owned by the US Forest Service are exempt from property taxes. However, since 1908 the Forest Service has shared their revenue with county governments where National Forest System lands are located.

What funds do Counties get from the Forest Service?

In 2008 an average of \$3.36/acre was paid to counties within the Hoosier National Forest.

This payment comes when a percent (roughly 25 percent) of receipts from timber sales, mineral resources, and recreation fees are returned to the state where the national forest lands are located and divided between the counties based on their acres of National Forest System lands. These funds are designated for roads and schools.

The payment includes another source of money the counties receive called Payment in Lieu of Taxes (PILT). PILT monies are allocated to compensate county governments for private property taxes forgone due to public ownership. PILT amounts vary based on the amount of national forest monies paid in the previous year and congressional appropriations. These payments are made to the counties based on acres of National Forest System land within the county (entitled acres exclude tax exempt lands acquired from state or local governments) and may be spent at the county's discretion.

Changes made in 2008

On October 3, 2008, the Secure Rural Schools and Community Self-Determination Act was reauthorized as part of Public Law 110-343. The new Secure Rural Schools Act has some significant changes. The nine counties where the Hoosier National Forest has lands each will receive a share of the Secure Rural Schools State payment. Through 2011 the amount of these funds were significantly increased to provide more support for rural schools and county roads. The total amount projected for the nine Hoosier counties from 2008 through 2011 is \$1,225,000.

What is the tradeoff of not having these acres in private land?

The assessed value for property tax purposes on classified forest land in Indiana is \$1.00 per acre. So the return on forested land from the Hoosier (\$3.36/acre) is higher than from private forest lands.

Are there other benefits from national forests?

- National forests provide quality of life benefits to those who live in the area by providing a variety of outdoor recreation opportunities.
- Forested areas provide higher quality drinking water.
- The Forest Service gets additional federal highway dollars and has cost shared with county government to replace bridges and repair roads in the forest area.
- Forest Service firefighters assist with many wildfires in the forest area.
- Several county sheriff and city police departments have cooperative agreements and receive additional funding for patrols in the forest area.

Contact Information

For additional information about payments made to county government, contact Teena Ligman at 812-275-5987.

2008 Payments to Counties in the Hoosier National Forest

County	Actual Acres	Payment in Lieu of Taxes	National Forest Receipts	Total
Brown	18,452	\$32,491	\$21,744	\$54,235
Crawford	24,362	38,295	55,650	93,945
Dubois	412	935	366	1,301
Jackson	23,280	36,979	36,328	73,307
Lawrence	16,378	20,190	27,831	48,021
Martin	9,550	11,587	16,526	28,113
Monroe	19,007	35,266	32,030	67,296
Orange	31,151	47,853	67,588	115,441
Perry	59,562	91,811	104,893	196,704
TOTAL	202,154	\$315,407	\$362,956	\$678,363