

could be obviated by recognizing that while there is only one crop of minerals many crops of timber may be harvested from the same piece of land.

Realization of these facts has produced a demand for measures to perpetuate our forests and forest industries, and particularly for the removal of the tax discriminations against forestry. It is felt that forest growing should be placed on a par with agriculture and be allowed to pay its share of the tax burden from the harvest.

The Harvest Tax System

In considering the subject of forest taxation there are certain primary requirements generally accepted. The continuing ability of a particular industry to pay taxes is directly dependent not only on its ability to create or produce but also on the actual accomplishment of the object and the conversion of the produce into a merchantable article. It is obvious that a year's growth of a tree, although it may be considered the year's income from a particular piece of land, cannot be removed and marketed to satisfy the demands of the tax collector. It is only on large forests that rotation systems can be applied and an annual revenue obtained by cutting certain areas each year. In smaller tracts, even though handled in the most modern and scientific manner, it is seldom economic to cut a few scattered trees each year. It is logical therefore that forest taxes be on the harvest or yield rather than on an annual basis.

Essential Elements of Any Forest Tax System

Comments received concerning laws of this type now in force in various states indicate that for general acceptance such laws should be simple, inexpensive, and of broad application. They mention—the desirability of administration by local authorities, with technical assistance from the state forester; extension of the benefits of the law to all lands which are handled primarily in accordance with its purposes; freedom for owners to withdraw their lands from the special forest tax classification without incurring heavy penalties; arrangement of tax payments with the minimum annoyance to the payer; and consideration of the need of the community for annual revenue to support the local government.

Forest Service Activities

The problem of equitable and constructive taxation of the forest industries has been under consideration for a number of years, and a satisfactory solution will require considerable further study and