

## Federal and State of Hawai'i Incentive Programs For Land Management on Private Lands April 8, 2010

- This chart is intended to facilitate comparison of programs and provide contact information. It is neither complete nor authoritative.
- Some programs provide funding to both State and Private lands.
- Most cost-share programs **reimburse** landowners for a portion of their costs; payments are limited by (a) % or ratio of payment to match, (b) standard rates (caps) for eligible practices or (c) annual or project total maximums.
- Most programs have guidelines for what can qualify as the “match” for the cost-share. Funding from one program usually cannot match funding from another unless one program is non-Federal and the other is Federal.
- Generally, Federal and state cost-share payments need to be reported in tax returns and may or may not be taxable; search for “Cost-Share” in [www.timbertax.org](http://www.timbertax.org) or [www.timbertax.org/publications/aghandbook/aghandbook.asp](http://www.timbertax.org/publications/aghandbook/aghandbook.asp)

| <b>Program name &amp; Administering Agency</b>  | <b>Purpose of Program</b>   | <b>Eligibility Criteria</b>  | <b>Incentives and/or Cost Share Levels</b>   | <b>Time-Frame</b>  | <b>Other Requirements</b>   | <b>Contact</b>   |
|---|---|--|--|--|---|--|
| <b>State of HI Forest Stewardship Program (FSP)</b><br><br><i>Division of Forestry &amp; Wildlife (DOFAW)</i>               | Complete range of forest management activities, including: conservation, restoration, timber production, and plan development.  | Private and privately leased “non-industrial forest landowners” (10-year minimum contract); minimum 5 contiguous acres in the FSP project. | 50% cost-share, limited to \$75,000/year.  | 10 years of cost-sharing with a post 10 or more year maintenance period. Minimum 30-year contract if involves timber production. | Pre-proposal and land management plan required; payback provisions may be required for timber harvest. Onus on grantee to obtain any necessary permits, including EA’s or CDUP’s. | <b>Sheri S. Mann</b><br>(808) 587-4172<br><a href="mailto:sheri.s.mann@hawaii.gov">sheri.s.mann@hawaii.gov</a><br><a href="http://www.state.hi.us/dlnr/dofaw/hfsp">www.state.hi.us/dlnr/dofaw/hfsp</a>         |
| <b>Urban &amp; Community Forestry - locally known as “Kaulunani”</b><br><br><i>DOFAW<br/>USDA Forest Service (FS) funds</i> | Tree-planting in urban and community settings; educational programs; technical tree-care programs; Arbor Day activities.  | Public or private lands with public access. No personal landscaping allowed.   | Up to 50% cost-share. \$10,000/year is standard amount but exceptions are made for special projects. | Usually 1 year.  | Must be a non-profit, tree advocacy or civic group, educational institution, and/or local or state government agency  | <b>Teresa Trueman-Madriaga</b><br>(808) 672-3383<br><a href="mailto:ttn@hawaii.rr.com">ttn@hawaii.rr.com</a><br><a href="http://www.state.hi.us/dlnr/dofaw/kaulunani">www.state.hi.us/dlnr/dofaw/kaulunani</a> |
| <b>Watershed Partnership Program</b><br><br><i>DOFAW</i>  | Cooperative projects that benefit on-the-ground activities protecting land for watershed conservation and implementing existing management plans negotiated under the Partnerships. | Landowner must inter into a MOU or agreement adopting the exiting management plan scope.   | No mandatory cost-share requirement, but leveraging funds is encouraged.                             | Year-to-year as funds are available.   | EA may be necessary. Onus on grantee to obtain any necessary permits. Reporting necessary.  | <b>Lisa Ferentinos</b><br>(808) 587-0058<br><a href="mailto:Lisa.ferentinos@hawaii.gov">Lisa.ferentinos@hawaii.gov</a><br><a href="http://www.state.hi.us/dlnr/dofaw/pp">www.state.hi.us/dlnr/dofaw/pp</a>     |

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| <p>Conservation Reserve Enhancement Program (CREP)</p> <p><i>DOFAW, USDA -Farm Service Agency, NRCS</i></p> | <p>A federal-state natural resources conservation program that addresses state and nationally significant agricultural related environmental concerns. Participants remove cropland and marginal pastureland from agricultural production and convert the land to native grasses, trees and other vegetation.</p> | <p>Land must be physically and legally capable of being agriculturally productive. AGI limitation as defined by the Farm Bill does apply, however a case-by-case exemption is available for environmentally significant lands</p> | <ul style="list-style-type: none"> <li>▪ Annual rental payment ranging from \$43 to \$225/acre/yr. Plus State bonus \$17/acre/year.</li> <li>▪ 50% cost-share for practices and mid-contract management.</li> <li>▪ SIP up to \$100/acre.</li> <li>▪ PIP additional 40% reimbursable payment for select practices.</li> </ul> | <p>5 year enrollment period to sign-up 15,000 acres in Hawaii.</p> <p>Participants are required to enter into 15 year contracts with the State of Hawaii and USDA</p> | <p><a href="http://hawaii.gov/dlnr/dofaw/forestry/crep">http://hawaii.gov/dlnr/dofaw/forestry/crep</a></p>                | <p><b>Irene Sprecher</b>, DLNR-DOFAW (808) 587-4167<br/> <a href="mailto:Melissa.I.Sprecher@hawaii.gov">Melissa.I.Sprecher@hawaii.gov</a><br/> <a href="http://hawaii.gov/dlnr/dofaw/forestry/crep">http://hawaii.gov/dlnr/dofaw/forestry/crep</a></p> <p><b>Connie Laumann</b>, USDA-Farm Service Agency (808) 441-2704 ext. 145<br/> <a href="mailto:Connie.Laumann@hi.usda.gov">Connie.Laumann@hi.usda.gov</a></p> <p><b>Mike Whitt</b>, USDA-NRCS (808) 541-2600 ext. 153<br/> <a href="mailto:Michael.Whitt@hi.usda.gov">Michael.Whitt@hi.usda.gov</a></p> |
| <p>North American Wetland Conservation Act (NAWCA)</p>  | <p>preserving and/or restoring wetland ecosystems that contribute to waterfowl habitat recovery</p>   | <p>CE or Fee title</p>  | <p>50/50 match</p>  | <p>Up to \$75,000 a year – apps due late Oct.</p> <p>Up to \$1m apps due Feb?</p>   |   | <p><b>Jane Rubey</b> - State Coordinator<br/> Hawaii Wetland Joint Venture<br/> 808-217-6658<br/> <a href="mailto:Rubey@pcjv.org">Rubey@pcjv.org</a></p>  |
| <p>Partners for Fish &amp; Wildlife</p> <p><i>US F&amp;WS</i></p>   | <p>(1) Restore natural habitats and provide long-term benefits to threatened and endangered species; or<br/> (2) satisfy the needs of wildlife populations on National Wildlife Refuges</p>   | <p>Private lands and Hawaiian Homelands</p>   | <p>Up to 50% cost-share; technical assistance also provided</p>   | <p>10-year minimum commitment</p>   | <p>Projects cannot be used to fulfill mitigation requirements</p> <p>Onus on grantee to obtain any necessary permits.</p> | <p><b>Benton Pang</b><br/> (808) 792-9443<br/> <a href="http://pacificislands.fws.gov/worg/org_hc_partners.html">http://pacificislands.fws.gov/worg/org_hc_partners.html</a><br/> <a href="http://partners.fws.gov/pdfs/05partnersgrants.gov.pdf">http://partners.fws.gov/pdfs/05partnersgrants.gov.pdf</a></p>   |
| <p>Safe Harbor Agreements</p> <p><i>US F&amp;WS &amp; DOFAW</i></p>   | <p>Proactive natural resource management to benefit endangered and threatened species.</p>  | <p>Private and public lands</p>   | <p>Provides regulatory assurances that future property-use restrictions will not be imposed</p>   | <p>5-15 year commitment</p>   | <p>Activities must meet “net conservation benefit” criteria for species</p>   | <p><b>Chris Mullen</b><br/> (808) 792-9400<br/> <a href="http://endangered.fws.gov/recovery/harborqa.pdf">http://endangered.fws.gov/recovery/harborqa.pdf</a><br/> <b>DOFAW – Julie Kolomyski</b><br/> <b>587-4149</b></p>  |

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|--|--|---|--|--------------------|---|--|
| Coastal Program<br><i>US F&amp;WS</i><br>VIA DOFAW   | Focused efforts in bays, estuaries and watersheds around the U.S. coastlines. The purpose is to conserve fish and wildlife and their habitats to support healthy coastal ecosystems. | Provides funding for 22 high-priority coastal ecosystems. See website for a list of those.  | Generally 3 to 1 match.  |                    | Projects cannot be used to fulfill mitigation requirements or for land purchase, but funds are available to facilitate purchase i.e. appraisals & due diligence needs. Subject to Yellow Book appraisal and review. | <b>Michael Whitt</b><br>808-541-2600 x153<br><a href="http://www.fws.gov/coastal/CoastalProgram/">www.fws.gov/coastal/CoastalProgram/</a><br><a href="http://ecos.fws.gov/coastal_grants/viewContent.do?viewPage=home">http://ecos.fws.gov/coastal_grants/viewContent.do?viewPage=home</a> |
| Wildlife Habitat Incentives Program (WHIP)<br><br><i>USDA Natural Resource Conservation Service (NRCS)</i> | Restoration of unique native habitats, especially for threatened and endangered plant and animal species; priority habitats for Hawaii include native forests.                       | Private or leased land; state and county lands also eligible  | Up to 75% cost share   | 5-10 year contract | Primary goal may not be commercial production.<br><br>Onus on grantee to obtain any necessary permits.  | <b>Gwendolyn S. Gilbert</b><br>Phone: (808) 541-2600 Ext. 122<br>Email:<br><a href="mailto:gwen.gilbert@hi.usda.gov">gwen.gilbert@hi.usda.gov</a><br><br><b>Michael Whitt</b><br>808-541-2600 x153   |
|  |  |   | Up to 100% cost share  | 15-year contract   |   |  |
| Conservation Innovation Grants<br><br><i>(NRCS)</i>  | To stimulate the development and adoption of innovative conservation approaches and technologies.  | Applicants must be a federally recognized Indian Tribe, State, or local unit of government, non-governmental organization, or individual. Must meet EQIP eligibility standards. | 50/50 match; 25% of which can come from in-kind contributions. |                    | <a href="http://www.nrcs.usda.gov/programs/equip/">http://www.nrcs.usda.gov/programs/equip/</a>   | <b>Michael Whitt</b><br>808-541-2600 x153<br><a href="mailto:michael.whitt@hi.usda.gov">michael.whitt@hi.usda.gov</a><br>National Program :<br>Gregorio Cruz<br><a href="mailto:Gregorio.cruz@wdc.usda.gov">Gregorio.cruz@wdc.usda.gov</a><br>v  |
| Conservation Stewardship Program<br><br><i>(NRCS)</i>  |  |   |  |                    |   | <b>Michael Whitt</b><br>808-541-2600 x153<br><a href="mailto:michael.whitt@hi.usda.gov">michael.whitt@hi.usda.gov</a>  |
| Environmental Quality Incentives Program (EQIP)<br><br><i>NRCS</i>   | Provides a voluntary conservation program for farmers and ranchers that promote agricultural production and environmental quality as compatible national goals.                      | Private or State owned land 5-10+ year lease: cropland, rangeland, pasture, <u>forest</u> , other farm or ranch land  | Up to 75% cost-share   | Up to 10 years     | Applicants must be persons actively engaged in livestock or agricultural [or forest] production<br><br>Onus on grantee to obtain any necessary permits.   | <b>Denise Wiedenheft</b><br>(808) 541-2600 Ext. 106<br><a href="mailto:Denise.wiedenheft@hi.usda.gov">Denise.wiedenheft@hi.usda.gov</a>  |

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|---|--|--|--|---------------------------|---|--|
| Clean Water Act Section 319 Grants for<br><i>Dept of Health administers funds via EPA</i> | State Non-Point Source Agencies. Projects focused on reducing non-point source pollution.  | State, private, communities, cities, counties, non-profits, etc.   | 50/50 Cost Share                           | Generally 24 to 36 months | Priorities vary annually i.e. Could be specific watersheds or streams, etc.<br><br>Onus on grantee to obtain any necessary permits.                                   | <b>Hudson Slay</b><br>(808) 586-4436<br><a href="http://www.epa.gov/owow/nps/cwact.html">www.epa.gov/owow/nps/cwact.html</a>   |
| Targeted Watershed Grants Program<br><br><i>EPA</i>                                       | Urban Watershed Capacity Building engages communities to foster an increased connection, understanding and ownership of their waters.  | Must (1) Establish and manage a competitive urban watershed subaward program; and (2) provide urban watershed technical services to subawardees. | 75/25 cost-share                           | Up to 3 years             | States, local governments, public and private nonprofit institutions / organizations & US territories are eligible. Up to \$600,000 per grant. Subgrants are allowed. | <a href="http://www.epa.gov/twg">http://www.epa.gov/twg</a>  |
| Doris Duke Foundation / Wildlife Conservation Society                                     | Bring nonprofit conservation organizations and state wildlife agencies together for small but essential projects that address what states have identified as their top conservation priorities |  |  |                           |   | <b>DDF: Douglas Meyer</b><br>202-329-3299<br><a href="http://www.ddcf.org">www.ddcf.org</a><br><a href="mailto:environment@bernuthconsulting.com">environment@bernuthconsulting.com</a><br><b>WCS: Darren Long</b> at 406-556-7203 or <a href="mailto:dlong@wcs.org">dlong@wcs.org</a> |
| <i>Hawaii Tourism Authority</i>   |  |  |  |                           |   |  |

Acronyms: EA – Environmental Assessment, CDUP – Conservation District Use Permit, EPA – Environmental Protection Agency

## Federal and State of Hawai'i Land Acquisition Programs

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|--|---|--|---|--|--|--|
| Forest Legacy Program<br><br><i>DOFAW via FS funds</i>                     | Preclude conversion of forestland to non-forest uses.   | Private landowner that is a willing seller, currently 75% forested and threatened by development or fragmentation; must fall within designated "Forest Legacy Areas".  | Federal funds available to purchase up to 75% of market value of a conservation easement or fee simple acquisition. Carries potential tax benefits.         | Applications Due August 20 <sup>th</sup><br>Acquisitions Permanent | Subject to competitive prioritization at state, regional, and national levels. Requires FSP Plan; may require EA and CDUP. Subject to Yellow Book standard appraisal and review.   | <b>Sheri S. Mann</b><br>(808) 587-4172<br><a href="mailto:Sheri.s.mann@hawaii.gov">Sheri.s.mann@hawaii.gov</a><br><br><a href="http://www.state.hi.us/dlnr/dofaw/Legacy">www.state.hi.us/dlnr/dofaw/Legacy</a>                                     |
| Recovery Land Acquisition<br><br><i>F&amp;WS</i><br><br>Via DOFAW          | Acquisition of fee title or conservation easement for protecting habitats essential for recovery of listed species before development or other land use changes impair or destroy key habitat values. | Private land willing seller in support of approved species recovery plans.   | 75% cost-share  | Applications Due<br><br>Acquisitions are Permanent                 | Subject to Yellow Book standard appraisal and review. Regionally competitive.  | <b>Craig Rowland</b><br>(808)-792-9450<br><a href="mailto:Craig_rowland@fws.gov">Craig_rowland@fws.gov</a><br><br><a href="http://www.fws.gov/endangered/grants/section6/FY2006/RFP.pdf">www.fws.gov/endangered/grants/section6/FY2006/RFP.pdf</a> |
| National Coastal Wetland Conservation Grant Program<br><br><i>F&amp;WS</i> | Provides matching grants to States for acquisition, restoration, management or enhancement of coastal wetlands.   | Projects are selected based on ranking factors: 1. Consistent with the National Wetlands Priority Conservation Plan; 2. Located in States with dedicated land acquisition programs; and 3. Located in maritime forests on coastal barrier islands. | Program fact sheet –<br><br><a href="http://ecos.fws.gov/docs/coastal_grants/web/pdf/1135.pdf">http://ecos.fws.gov/docs/coastal_grants/web/pdf/1135.pdf</a> |  | Additional ranking include credit to projects benefiting threatened and endangered species, promote partnerships, and support conservation & recovery. Program will not provide grants to support planning, research, monitoring, or construction or repair of structures for recreational purposes. | <b>Chris Swenson</b><br>(808) 792-9458<br><br><a href="http://ecos.fws.gov/coastal_grants/viewContent.do?viewPage=home">http://ecos.fws.gov/coastal_grants/viewContent.do?viewPage=home</a>  |

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|---|--|--|--|-------------------------|---|---|
| Habitat Conservation Plan (HCP) Land Acquisition F&WS Via DOFAW   | Acquisition of land that have important benefits for ecosystems that support listed, proposed and candidate species.   | Land must be associated with approved HCPs.  | 25% of estimated project cost; or 10% when two or more States or Territories implement a joint project   | Permanent               | Nationally Competitive. Subject to Yellow Book appraisal and review.  | Heather Hollis<br><a href="mailto:Heather_hollis@fws.gov">Heather_hollis@fws.gov</a>  |
| Army Compatible Use Buffers Program<br><br>Formerly: Private Lands Initiative Program<br><br><i>US Army</i> | Available for NGO or state/local agency to purchase a portion of land (titles or conservation easements). Helps the Army meet Endangered Species Recovery Act and prevention of future T&E species listings.                             | Private landowner that is a willing seller near Army lands. Another source of funds should be identified because this program does not provide funds for an entire purchase. | Possible reduced land taxes.   | Permanent               | Army may use the land for low-impact training.  | <b>John Housein</b><br>(410) 436-6465<br><a href="mailto:John.housein@us.army.mil">John.housein@us.army.mil</a><br>Hawaii contact:<br><a href="mailto:alvin.char@us.army.mil">alvin.char@us.army.mil</a><br><a href="http://aec.army.mil/usaec/natural/natural03a.html">http://aec.army.mil/usaec/natural/natural03a.html</a> |
| Wetlands Reserve Program<br><br><i>NRCS</i>   | Offers landowners an opportunity to establish long-term conservation and wildlife practices and protection by restoring, and enhancing wetlands on private property.   |  | Provides technical and financial support to help landowners with their wetland restoration efforts.  |                         |   | <b>Michael Whitt</b><br>(808) 541-2600 Ext. 153<br><a href="mailto:michael.whitt@hi.usda.gov">michael.whitt@hi.usda.gov</a>   |
| Grassland Reserve Program<br><br><i>NRCS</i>  | Participants voluntarily limit future use of the land while retaining the right to conduct common grazing practices; produce hay, mow, or harvest for seed production; conduct fire rehabilitation; and construct firebreaks and fences. | Minimum of 40 contiguous acres. There is no maximum acreage. Private landowners only.  | This is a conservation easement in perpetuity. Easement payments for this option equal the fair market value, less the grazing value of the land encumbered by the easement. These values will be determined using an appraisal process. | 10 - 30 year agreements | Required to follow a conservation plan developed by NRCS and the participant to preserve the integrity of the grassland. If restoration is determined necessary by NRCS, a restoration agreement will be incorporated within the rental agreement or easement | <b>Michael Whitt</b><br>(808) 541-2600 Ext. 153<br><a href="mailto:michael.whitt@hi.usda.gov">michael.whitt@hi.usda.gov</a>   |

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|--|---|---|--|--|---|--|
| Farm and Ranchland Protection Program<br><br><i>NRCS</i>   | Purchase easements or other interests in land from landowners to keep productive farm and ranchland in agricultural uses.                   | Must be part of a pending offer from a State, tribe, or local farmland protection program; be privately owned; and have surrounding parcels of land that can support long-term agricultural production. Must have a conservation plan for highly erodible land. | Up to 50% cost-share. Possible reduced land taxes.   | Permanent                                    | Subject to Yellow Book standard appraisal and review; must be large enough to sustain agricultural production; be accessible to markets for what the land produces; have adequate infrastructure and agricultural support services. | <b>Michael Whitt</b><br>(808) 541-2600 Ext. 153<br><a href="mailto:michael.whitt@hi.usda.gov">michael.whitt@hi.usda.gov</a>  |
| Coastal and Estuarine Land Conservation Program<br><i>National Oceanic and Atmospheric Administration (NOAA)</i> | Protects coastal and estuarine lands considered important for their ecological, conservation, recreational, historical or aesthetic values. | Coastal states with approved coastal zone management plans or National Estuarine Research Reserves are eligible for CELCP.  | Provides states and local governments with matching funds to purchase significant coastal and estuarine lands, or conservation easements on such lands from willing sellers. | Lands purchased are protected in perpetuity. | Title must be held by appropriate state agency.   | <b>Doug Tom</b><br>(808) 587-2820<br><a href="mailto:dtom@dbedt.hawaii.gov">dtom@dbedt.hawaii.gov</a><br><br><a href="http://coastalmanagement.noaa.gov/land/welcome.html">http://coastalmanagement.noaa.gov/land/welcome.html</a> |
| State of HI Legacy Land Conservation Fund<br><br><i>DOFAW</i>  | Provides for the acquisition of lands, including easements.   | Lands for watershed and habitat protection, parks, coastal area, natural areas, agricultural production, cultural or historical sites, recreation and public hunting  | County agency or nonprofit land conservation organization grant recipients must provide match funds of at least 25% of the total project costs.                              | Permanent                                    | Intended for state agencies, counties, and non-profit land conservation organizations seeking funding to acquire property.  | <b>Molly Schmidt</b><br>(808) 586-0921<br><a href="mailto:Molly.e.schmidt@hawaii.gov">Molly.e.schmidt@hawaii.gov</a><br><br><a href="http://www.hawaii.gov/dlnr/dofaw/lcpl">www.hawaii.gov/dlnr/dofaw/lcpl</a>                     |
| Pacific Coast Joint venture  |   |   |  |  |   | Hawaii Branch Coordinator - Jean Rudy<br>808-217-6658<br><a href="mailto:rubey@pcjv.org">rubey@pcjv.org</a><br><a href="http://www.pcjv.org/home/">www.pcjv.org/home/</a>  |

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| National Fish & Wildlife Foundation / Walmart “Acres for America” |  |  |  |  |   | <a href="http://www.nfwf.org/AM/Template.cfm?Section=Charter_Programs_List&amp;Template=/TaggedPage/TaggedPageDisplay.cfm&amp;TPLID=32&amp;ContentID=11974">http://www.nfwf.org/AM/Template.cfm?Section=Charter_Programs_List&amp;Template=/TaggedPage/TaggedPageDisplay.cfm&amp;TPLID=32&amp;ContentID=11974</a> |
| CLEAN WATER AND NATURAL LANDS FUND<br><br><i>County Programs</i>  |  |  |  |  |   | <a href="http://www.co.honolulu.hi.us/Council/cwnl.htm">www.co.honolulu.hi.us/Council/cwnl.htm</a><br>lbowman@honolulu.gov  |
| Natural Areas Partnership Program (NAPP)<br><br><i>DOFAW</i>      | Protection, restoration and enhancement of significant native resources or geological features | Private landowner who is a willing seller with intact native Hawaiian ecosystems, essential habitat for endangered species, and areas within the protective (P) subzone of the Conservation District; applicant may be cooperating entity managing such lands. | Up to 67% cost-share. Possible reduced land taxes. | Permanent dedication through transfer of fee title or conservation easement. | Development of long-range agreements and management plans; requires EA.<br><br>Onus on grantee to obtain any necessary permits. | <b>Randy Kennedy</b><br>(808) 587-0054<br><a href="mailto:randall.w.kennedy@hawaii.gov">randall.w.kennedy@hawaii.gov</a><br><a href="http://www.state.hi.us/dlnr/dofaw/napp">www.state.hi.us/dlnr/dofaw/napp</a>  |

*In accordance with Federal law and U.S. Department of Agriculture policy, the US Forest Service is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.) To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.*

## Federal and State of Hawai'i Tax Related Incentive Programs

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|--|--|---|--|-----------------------------|---|---|
| Endangered Species Tax Deduction<br><br><i>US. Fish &amp; Wildlife Service</i> | Federal Tax deductions for practices that conserve/protect T&E species.                | Must have a T&E spp. in the area and there must be an approved recovery plan for it. See <a href="http://www.nmfs.noaa.gov/pr/recovery/plans.htm">www.nmfs.noaa.gov/pr/recovery/plans.htm</a> |  |                             | The amount of the deduction cannot exceed 25 percent of the taxpayer's gross income from farming. | <a href="http://www.fws.gov/endangered/">http://www.fws.gov/endangered/</a><br><br>See Ch. 5 under Conservation Expenses in <a href="http://www.irs.gov/pub/irs-pdf/p225.pdf">http://www.irs.gov/pub/irs-pdf/p225.pdf</a>                                     |
| Tree Farm Designation<br><br><i>DLNR - DOFAW</i>                               | Sustained production of forest products in quantity sufficient to establish a business | Private property or minimum 20 year lease   | “Right to Harvest” law applies.<br><br>Land will be taxed based on Agriculture zoning.               |                             | Management Plan approved by DLNR Board.   | Michael Constantinides<br>(808) 587-4186<br><a href="http://www.capitol.hawaii.gov/hrscurrent/Vol03_Ch0121-0200D/HRS0186/HRS_0186-0002.htm">www.capitol.hawaii.gov/hrscurrent/Vol03_Ch0121-0200D/HRS0186/HRS_0186-0002.htm</a>                                |
| Federal income taxes<br><br><i>Internal Revenue Service</i>                    | Planting for timber production   | Private enterprises   | Deduction or amortization of planting costs - up to approximately \$10,000                           | Amortize over 7 years       |   | <a href="http://www.fs.fed.us/r8/spf/coop/taxation/">www.fs.fed.us/r8/spf/coop/taxation/</a><br><a href="http://www.timbertax.org/">www.timbertax.org/</a>  |
|  | Timber Sales   | Private enterprises   | Long-term capital gains treatment  | Timber held over 1 year     | Must establish basis  |   |
| Property tax treatment<br><br><i>City &amp; County of Honolulu</i>             | Tree Farming   | Private Property or minimum 20-year lease; minimum 10 acres   | Agricultural Property Tax Reduction (1-5% of fair market value, depending upon length of dedication) | 1, 5 or 10-year dedications | HRS 186 Tree Farm Designation (see above)   | Real Property Assessment Division<br>(808) 527-5510 or 5539<br><a href="http://www.co.honolulu.hi.us/rpa/chapter8.pdf">www.co.honolulu.hi.us/rpa/chapter8.pdf</a><br>Scroll down to page 24 in pdf- “Section 8-7.3 “Dedication of Lands for Agricultural Use” |

| <b>Program Name &amp; Administering Agency</b>  | <b>Purpose of Program</b>  | <b>Eligibility Criteria</b>  | <b>Incentives and/or Cost Share Levels</b>  | <b>Time-Frame</b>   | <b>Other Requirements</b>  | <b>Contact</b>  |
|---|--|--|---|---|--|---|
| Agricultural Property Tax <b>Reduction</b>  | Commercial tree farms  | Private property or lease; minimum 5 years acceptable previous agricultural land use; agricultural condominiums not eligible | Tax assessment 50% of fair market value   | 20-year dedication; 10-year dedications <u>might</u> be allowed for short-rotation tree farms | Tree farm management plan and other information.   | Real Property Assessment Division<br>(808) 241-6222<br><a href="http://www.kauai.gov/realproperty">http://www.kauai.gov/realproperty</a>  |
| Agricultural Property Tax <b>Exemption</b><br><i>Kaua'i County</i>  | Tree farms   | Private property or lease; minimum 10 acres; land in urban district not eligible   | \$1000/parcel/year with a 10 year dedication and \$500/parcel/year with a 20 year dedication. | Harvesting must take place 6-25 years after planting  |  |   |
| <b>Agricultural tax rates</b><br><i>Hawai'i County</i>  | Commercial tree farming ("Fast Rotation Forestry" and "Slow Rotation Forestry")  | Private property   | Agricultural Property Tax Reduction; rates based on crop and productivity                     | Depends on dedication and time frame  |  | Real Property Tax Division – Appraiser<br>(808) 961-8354<br><a href="http://www.hawaiipropertytax.com">www.hawaiipropertytax.com</a><br>Click "Forms & Instructions," then "Miscellaneous," then "Agricultural Use" links           |
| <b>Native Forest Dedication</b><br><i>Hawai'i County (Kauai County was removed from this program in 1999)</i> | Preservation, restoration, and conservation of native forest (defined as at least 25% tree cover and 60% cover of native forest species) | Private property or lease of at least 20 yrs, minimum 3 acres  | Low tax assessments, same as for pasture  | 20 year agreement to use land as native forest  | Forest management plan; written affidavit from recognized forestry professional that restoration plan is likely to succeed within the designated time period | Mike McCall, Wes Takai<br>(808) 961-8260<br><a href="http://www.hawaiipropertytax.com">www.hawaiipropertytax.com</a><br>Click "Forms & Instructions," then "Miscellaneous," then "Native Forest Dedication"                         |
| <b>Property tax treatment</b><br><i>Maui County</i>   | Tree farms (not specifically addressed in Code, but could be considered "crop")  | Private property or lease; minimum 5 years' acceptable previous agricultural land use  | Tax assessment 50% of fair market value   | 20-year dedication; 10-year dedications <u>might</u> be allowed for short-rotation tree farms | Petition Director of Finance   | Real Property Tax Division<br>(808) 270-7297<br><a href="http://ordlink.com/codes/maui/index.htm">http://ordlink.com/codes/maui/index.htm</a><br>Scroll down to "Article 7. Valuations, then click "3.48.350 Dedicated Lands" links |

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