

Public Timber Sales Taxable and Non-Taxable Costs

Taxable

Any activity not “directly and exclusively related to the harvesting and marketing of the timber”. Listed below are the most common examples. These taxable items are also referred to as *other consideration*.

- Scarification
- Reforestation
- Stumping
- Surveying
- Water bar construction
- Rock crushing
- Rock stockpiling
- Pit stripping
- Gate installation
- Trail building
- Pre-haul road maintenance
- Road paving
- Road abandonment of existing roads
- Bridge or culvert installation or replacement

Taxable Road Costs:

Constructed or reconstructed roads, whether the roads are required or optional. This includes roads that are “deactivated”, “inactivated”, or “closed” as part of the timber sale contract, where such activities do not meet the Department of Natural resource’s definition of road abandonment (WAC 222-24-052(3)).

Non-Taxable

- Temporary Roads (roads that are constructed or reconstructed under a single timber sale’s contract and then abandoned, per WAC 222-24-052(3), under the same timber sale’s contract.
- Harvesting and marketing costs directly and exclusively related to the harvesting of the timber.
- Slash disposal as required to abate severe fire hazard.
- Access Road Revolving Fund (ARRF) charges.

Washington State Department of Revenue
Special Programs Division
Forest Tax Program
PO Box 47472
Olympia, WA 98504-7472

Call: 360-534-1324
Fax: 360-664-8438
dor.wa.gov

To ask about the availability of this publication in an alternate format for the visually impaired, please call 360-705-6705. Teletype (TTY) users may use the Washington Relay Service by calling 711.