

**INDIANA DEPARTMENT OF NATURAL RESOURCES  
INDIANA DIVISION OF FORESTRY**

**2016 Legislative Changes to the Classified Forest & Wildlands Program**

The legislature made two changes to the Classified Forest & Wildlands Program through HB 1246 and SB 308. HB1246 was a minor change. It changed “county auditor” to “county assessor” in several places in the law to reflect that it is the assessor that changes the assessment of land when it goes into or out of the program not the auditor. SB 308 changed the assessed value of classified land from \$1/acre to \$13.29/acre. The assessed value for classified land will be updated annually by the percentage change in the Consumer Price Index for All Urban Consumers.

**FAQs Regarding SB 308**

***Will landowners now be paying \$13.29/acre in taxes for land enrolled in the Classified Forest & Wildlands Program?***

No. The assessed value has changed. Your property tax is calculated by multiplying the assessed value by the tax rate.

Property Tax per Acre for Classified Land

Assessed Value	1% tax rate	2% tax rate
\$1	\$0.01/acre	\$0.02/acre
\$13.29	\$0.13/acre	\$0.27/acre

***Where did \$13.29/acre assessed value come from?***

When the Classified Forest Program began in 1921, the assessed value for land enrolled in the program was set to \$1/acre. \$13.29 is the current value of a 1921 dollar.

***When will the change take effect?***

The assessment changes to \$13.29/acre on January 1, 2017 for the 2017 tax year. It will show up on your tax bill in 2018.

***What is the Consumer Price Index for All Urban Consumers?***

The Consumer Price Index for All Urban Consumers (CPI-U) is a measure of inflation determined by the US Department of Labor, Bureau of Labor Statistics. CPI-U is a measure of the average change over time in prices paid by urban consumers for a set of consumer goods and services: food and beverages, housing, apparel, transportation, medical care, recreation, education and communication, and other goods and services (tobacco, personal services, funeral expenses). The percentage change in the CPI-U for the past five years is as follows:

2011	3.2%
2012	2.1%
2013	1.5%
2014	1.6%
2015	0.1%

For more information about the CPI-U visit the Bureau of Labor Statistics webpage (<http://www.bls.gov/cpi/cpifaq.htm>).