

# Forest Excise Tax Reporting Information

## Timber from Private and Public Land

### Registration

A Forest Excise Tax Account ID is a unique account number assigned by the Department of Revenue to identify each harvester. This is not a UBI number.

### Tax paid by the harvester

Timber harvested in Washington is subject to the Forest Excise Tax.

When timber is harvested from private land, the person who owns the timber at the time of the harvest is responsible for paying Forest Excise Tax. Contractors performing labor and services for the timber owner are not responsible for the Forest Excise Tax. When the owner of the timber cannot be determined, the landowner at the time of harvest will be responsible for the Forest Excise Tax.

When timber is harvested from public lands, the timber owner is the first person (other than the public entity) to acquire title or possessory interest to the timber.

### Export restrictions

Please be advised that all timber harvested from public lands is export restricted. Purchasers have specific reporting requirements to the Department of Revenue, and logs must be properly painted and branded prior to leaving the harvest site. For a complete description of regulations, see WAC chapter 240-15. Contact the department for additional information or reporting forms by calling 360-534-1324 or visit [foresttax.dor.wa.gov](http://foresttax.dor.wa.gov).

### Reporting periods

Forest Excise Tax is paid quarterly. For private land the tax is due at the end of the month following the quarter in which the timber is harvested. For public land the tax is due at the end of the month following the quarter in which the purchaser is billed by the seller for the timber.

**Quarter 1:** Jan. 1 through Mar. 31      **Due April 30**

**Quarter 2:** April 1 through June 30      **Due July 31**

**Quarter 3:** July 1 through Sept. 30      **Due Oct. 31**

**Quarter 4:** Oct. 1 through Dec. 31      **Due Jan. 31**

### Penalties

Late filing penalties are due on returns if payment is not received by the due date.

- 9% penalty assessed after the due date.
- 19% penalty assessed after the last day of the month following the due date.
- 29% penalty assessed after the last day of the second month following the due date.

### Forest Excise Tax Return

All harvesters with active permits must file a return each quarter until the harvest is completed. A harvester can file online or by paper.

The Department of Revenue will mail tax returns at the end of each quarter to all harvesters with active permits. If you do not receive your return contact the Department of Revenue. If a harvester chooses to start E-filing, they can sign up for alerts and an email reminder will be sent quarterly. Paper returns will no longer be mailed.

### Electronically filing returns

With our FREE, easy-to-use electronic filing system, harvesters can file and pay Forest Excise Taxes online. Electronic filing does the calculations, remembers taxpayer information, offers more ways to pay, and saves time and money.

Visit [dor.wa.gov](http://dor.wa.gov) and click **Log in** in the upper right corner to begin. You will need your Account ID and Letter ID from the forest tax return mailed to you. Once registered you can sign up for alerts and notifications.

### Tax rate

The tax rate is 5% and is calculated on the stumpage value of the timber. Stumpage Value Tables are published by the Department of Revenue twice a year for those reporting on the Standard Harvester return. Anyone who cuts less than two million board feet per calendar year has the option of using the Small Harvester return and calculates their tax based on the gross mill price minus the harvesting and marketing costs. For public harvesters, the taxable stumpage value is the actual amount paid for the timber in cash and other

considerations.

Harvesters owing tax less than \$50 (after EARR credit is applied) for the quarter (combined private and public land) are excused from payment of tax. However, they must complete the return and submit it to the Department of Revenue through E-file or by mail.

## EARR credit

Permits that are eligible for the EARR credit (Enhanced Aquatic Resources Requirements) receive a credit equal to 0.8 percent of stumpage value. Credit eligibility is determined by the Department of Natural Resources.

## Reporting no harvest

If there is no harvest activity in a quarter, a “No Harvest” return must be filed to avoid delinquency. You can file a “No Harvest” return by choosing one of the following options:

- Report no harvest activity electronically. Simply log on to My DOR. If this is your first time filing electronically you will need your Account ID and Letter ID that is printed on your Forest Excise Tax Return.
- Check the “No Harvest this Quarter” box on the front of your return and mail it to the Department of Revenue.
- Report no harvest activity by calling 360-705-6708 and follow the instructions given. You will need your Account ID that is printed on your Forest Excise Tax Return.

## Business and Occupation Tax (B&O)

Timber harvesting is considered a business activity under Washington law and must be reported on your B&O tax return. Small harvesters with no other business activity will become liable for the B&O tax and must register when the annual gross harvest value is \$225,000 or more. For more information, call us at 360-534-1324.

## Records retention

For purposes of audit, the records used to determine the amount of tax due must be kept available for review by the Department of Revenue for five years (RCW 82.32.070).

## For help with tax returns

If you need help filing a paper tax return, you may call a forester to make an appointment. The district offices and foresters telephone numbers are listed on this page.

Call 360-534-1324 for assistance Monday through Friday, 8 a.m. to 5 p.m.

## District Offices

### Bellingham

1904 Humboldt St.  
Suite A  
Bellingham, WA 98225  
360-594-4840

### Spokane

1330 N. Washington St.  
Suite 5600  
Spokane, WA 99201-2456  
509-327-0200

### Tacoma

Home Street Bank  
3315 S 23rd St.  
Suite 300  
Tacoma, WA 98405-1617  
253-382-2000

### Tumwater

6500 Linderson Way SW  
Tumwater, WA 98501  
360-534-1324

### Vancouver

8008 NE 4th Plain Blvd.  
Suite 320  
Vancouver, WA 98662  
360-256-2060

## Mailing Address

Department of Revenue  
Forest Tax Program  
PO Box 47472  
Olympia, WA 98504-7472

360-534-1324

[foresttax.dor.wa.gov](http://foresttax.dor.wa.gov)