

**WAC 222-21-045 Valuation.** (1) **The small forest landowner office will calculate the compensation amount for** forestry riparian easements by determining a stumpage value for the qualifying timber. The office will use data gathered from the date of the completed harvest. For applications that are eligible under WAC 222-21-032 without an associated harvest completion date, the office will use the date the completed forest riparian easement application is received. The office will use the stumpage value determination method described in (a) of this subsection to calculate the stumpage value of the qualifying timber. The office will also calculate the stumpage value of the qualifying timber as described in (b) of this subsection if the landowner voluntarily provides harvest records. The office will determine the highest compensation amount for the landowner.

(a) **Stumpage value determination method.** The small forest landowner office will create and maintain value tables to determine stumpage value of the qualifying timber. These tables will be created using a method coordinated with the department of revenue. The values will closely approximate the stumpage value for logs on the date of the completed harvest. The landowner will provide:

(i) The reference for the stumpage value table and any other needed information for use of the table; and

(ii) Any information the landowner would like the office to consider in its cruise and valuation of the qualifying timber.

(b) **Small harvester tax return method.**

(i) The landowner must provide comprehensive mill or buyer information for each harvest unit associated with the forestry riparian easement including:

(A) The delivered value by species;

(B) The total volume by species; and

(C) The actual harvesting and marketing costs as defined in the department of revenue small harvester instructions.

This information must be verifiable as proceeds from the timber harvests from documents such as mill receipts and/or forest excise tax returns. If the small forest landowner office does not receive a comprehensive packet of mill or buyer information or is not satisfied with the source of the documentation, the office will determine the qualifying timber value using the stumpage value determination method.

(ii) The office will determine the stumpage value by subtracting the average logging and hauling cost per thousand board feet (MBF) from the value of the mill or buyer information. The office will then determine the value of the qualifying timber by multiplying the stumpage value of each species in the harvest unit by the net volume for each corresponding species in the inventory of qualifying timber.

(iii) The office determines the values of the timber species that exist in the easement premises, not the species in the harvest area. The office determines the qualifying timber value by multiplying the determined cruise volume of qualified timber in the easement premises by the appropriate stumpage value of those species shown on the appropriate table used for timber harvest excise tax purposes per RCW 84.33.091 or the appropriate stumpage values of those species calculated by the office using the landowner's comprehensive mill or buyer information.

(2) **Determining the forestry riparian easement compensation.** The easement compensation will equal 90 percent of the qualifying timber value determined in subsection (1)(a) or (b) of this section.

[Statutory Authority: RCW 76.09.040. WSR 24-19-012, s 222-21-045, filed 9/5/24, effective 10/6/24; WSR 21-06-020, § 222-21-045, filed 2/22/21, effective 3/25/21. Statutory Authority: RCW 76.090.040 [76.09.040], 76.09.370 and 76.13.120. WSR 12-11-106, § 222-21-045, filed 5/22/12, effective 6/22/12. Statutory Authority: RCW 76.09.040, 76.09.370, chapters 76.13 and 34.05 RCW. WSR 03-06-039, § 222-21-045, filed 2/26/03, effective 3/29/03. Statutory Authority: RCW 76.09.040, chapters 76.13, 34.05 RCW. WSR 02-05-084, § 222-21-045, filed 2/20/02, effective 3/23/02. Statutory Authority: Chapter 34.05 RCW, RCW 76.09.040, [76.09.]050, [76.09.]370, 76.13.120(9). WSR 01-12-042, § 222-21-045, filed 5/30/01, effective 7/1/01.]