WOODLAND TAXATION.

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I.—On Lands in Private Ownership.

The application of forestry methods to the management of woodlands, whether they be the large areas of the lumberman or the woodlot of the farmer, must find its justification in an affirmative answer to the eminently pertinent and practical question: Will it pay?

Among the many points to be considered in determining the answer to this query under any given circumstances, none, with the single exception of protection from fire, should receive more earnest consideration than the present and prospective taxation of the property. The fairest prospect for large returns from a policy of conservative lumbering may be nipped in the bud by a tax rate that makes it in the financial interest of the owner to strip the land of whatever is merchantable at the time, preparatory to abandoning it, much as he may regret having to do so. This, indeed, has been the history of the destruction of many millions of acres of the finest forest lands in North America.

Of prime importance in dealing with all classes of forest lands, the question of woodland taxation has recently acquired added interest in Ontario and other Canadian provinces in view of the necessity of planting on a large scale in the near future to offset the rapid destruction of the woodlots in the farming sections. It is natural that the woodlot owner should take more interest in the tax rate applied to his plantations than that applied to a woodlot already fully grown, for, come what may, years must elapse before he can realize on the crop on which he pays the tax. From the standpoint of the state, however, it is of quite as great public interest that the woodlands already in existence be conservatively managed as that the woodland area be extended by planting.

The principles governing the taxation of woodlands are of course the same, whatever the origin of the forest, once it has passed in fee simple to private ownership, and no distinction should be made in tax rates on this account.

Any discussion of the principles of woodland taxation must have regard to the three following considerations:

1. *The Assessment Basis:*—Whether or not the assessment valuation should apply to the value of the land or the value of the land plus the value of the timber standing on it at the time.