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CAPITAL IDEAS

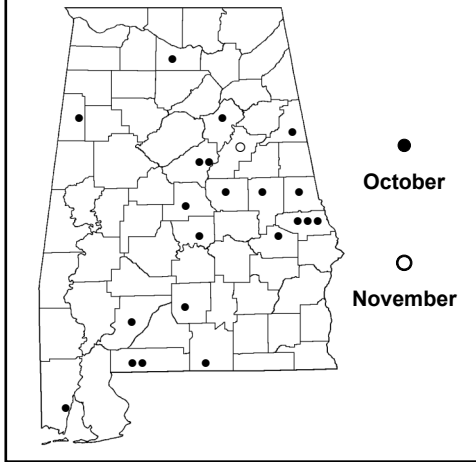
The Newsletter of the Alabama Forest Owners' Association, Inc.

Advocate for the Forest Owner
 October 2016 Vol. 35, No. 10
www.AFOA.org

P. O. Box 361434
 Birmingham, Alabama
 35236-1434



CALENDAR OF EVENTS



OCTOBER 2016

October Multiple Dates...Multiple Counties. **Game Check Seminars**. For details, call the Wildlife and Freshwater Fisheries at (334) 242-3465.

- October 6...Andalusia 6 PM
- October 13...Vernon 6 PM

October 4...Wiggins, Mississippi 8:30 - 11:30 AM. **Second Pine Thinning Workshop** at John Guthrie Tree Farm, Hwy 49 South and India Road, 3 miles south of Wiggins. This workshop covers all aspects of a second thinning. Dress appropriately for outdoors. Fee: \$20; Dutch Treat lunch. To register call Glenn Hughes at (662) 769-9886.

October 4...Online 1:30 CT. **Cross-laminated Timber, What's all the fuss about?** Contact **Megan Dettenmaier** at (435) 797-8424. Webinar registration at <https://extension.zoom.us/webinar/register/0167803c85abc3fb4ac87b605f06faf5>

October 4...Morgan County 5:30 PM. **Wild Game Cook-Off** at Ingalls Harbor, Decatur. Attend the cook-off and enjoy live music, door prizes, youth activities, and sample wild game recipes. Fee: \$35; youth under 15 admitted free. Call the Alabama Wildlife Federation at 1-800-822-9453.

October 4...Collins, Mississippi 6:30 PM. **Marketing and Merchandising Your Timber** at the Multi-Purpose Building. Presenters: Dr. Glenn Hughes and Don Williams. Call Covington County Extension Office at (601) 765-8252.

October 4-5...Athens, Georgia. **Managing Forest Health, Wildlife, and Productivity** at Flinchum's Phoenix, Whitehall Forest, 650 Phoenix Drive. "Forest management strategies for enhancing wildlife populations and improving water quality will be discussed, as will fire as a forest management tool, and the use of pesticides in forest systems." Fee: \$295. Contact **Ingvar Elle** at (706) 583-0566.

October 6...Cleveland, Mississippi 8:30 AM - 12 PM. **Wildlife Habitat Management Workshop** near Cleveland will introduce the basics of habitat management for wildlife and the latest techniques in wild hog control. Wear field clothes, boots, and insect repellent. Fee: \$25. Contact **Laura Giaccaglia** at (662) 843-8362.

October 6...Gainesville, Florida 9 AM - 3 PM ET. **Tree/Plant Identification Field Day** at Morningside Nature Center, 3540 East University Avenue. Wear appropriate clothing for walking outside. Fee: \$10; lunch

included. Contact **Chris Demers** at (352) 846-2375.

October 6...Autauga County 12 - 1 PM. **Nuisance Wildlife** at Christ Lutheran Church, 2175 Cobbs Ford Road, Prattville. Presenter: Chris Jaworowski, Wildlife Biologist. Bring a sack lunch. Drinks provided. Call Mallory Kelley at (334) 361-7273.

October 7...St. Clair County 9 AM - 2:30 PM. **Managing Wild Pig Damage** at Pell City Civic Center, 2801 Stemley Bridge Road, Pell City. Speaker: Mark Smith and Chris Jawarowski of the Alabama Extension System, and Jeff Thurmond, USDA. Fee: \$20; lunch provided. Contact **Mark Smith** at (334) 844-8099.

October 7...Online 1 PM CT. **Calibrating Sprayers and Spreaders Webinar** by Dr. Wayne Buhler, North Carolina State University. Contact **Taylor Vandiver** at (256) 766-6223.

October 7-9...Shelby County. **Becoming an Outdoors-Woman (BOW)** at Alabama 4-H Center on Lay Lake near Columbiana. Participants choose from over 50 courses such as: backyard wildlife, rock climbing, camp cooking, map and compass, camping, mountain biking, fishing, hunting, canoeing, and many more. Fee \$225; includes most meals, lodging, program materials, and instruction. Contact **Marisa Futral** at 1-800-245-2740.

October 10...Chilton County 8 AM - 1 PM. **Fall Landowner Tour** at the Wade Connell Property, Clanton. GPS coord: Lat. 32.390422, Long. 86.540451 Topics include: Management objectives, Right-of-Way considerations, Skeet shooting operation, Annosus Root Rot, Food plots, Wood duck hunting, Hardwood management, Best Management Practices, and Fire-breaks and Boundary lines. Fee: \$15; lunch provided. To pre-register call the Autauga Forestry & Wildlife Stewardship Council at (334) 365-5124x3.

October 11...Meridian, Mississippi 6:30 PM. **Lauderdale County Forestry Association Meeting** at East Mississippi Electric Power Association. Guest Speaker: Paul Jefferies with ArborGen Seedlings. Fee: \$20; dinner & dues included. Call Lauderdale Extension Office at (601) 482-9764.

October 12...Lee County 11 AM - Noon. **Why Take a Hike on a Long Distance Trail?** at Auburn University, School of Forestry & Wildlife Sciences (SFWS), Room 1101. Topic: Integrating tourism and recreation through research. Speaker: Taylor Stein, University of Florida. Refreshments served. Contact **Brian Via** at (334) 844-1088.

October 12...Mobile County 6 PM. **Wild Game Cook-Off** at The Bluegill Restaurant, Mobile Bay Causeway. Attend the cook-off and enjoy live music, door prizes, youth activities, and sample some wild game recipes. Fee: \$50; youth under 15 free. Call the Alabama Wildlife Federation at 1-800-822-9453.

October 12-13...Butler County. **Southern Regional Landowners Field Day & Tour** at Cambrian Ridge Golf Course Clubhouse (evening presentation) Cedar Creek Plantation (field day and tour), Greenville. Topics include: The Redhills of South Alabama, Water Quality, Native American History, Knowing What's On Your Land, and the History of Manningham. Please pre-register. Lunch included. Call Butler Farm Service at (334) 382-3151x2.

October 13...Tallapoosa County. **Alabama Master Naturalist Program** is an eight session course held on Thursdays either once or twice a month. Classes will be from 9 AM - 4 PM. Fee: \$30 per day or \$200 for all 8 sessions. Other course locations to be determined. Call Shane Harris at (256) 825-1050. Topics will include:

- Taxonomy, Botany, and Native Plants

- Freshwater Ecosystems and Living Streams
- Forests and Ecosystems
- Birds and Mammals
- Amphibians and Reptiles
- Geology, Soils, and Weather
- Alabama's Cultural Landscape
- Invertebrates (including insects)

October 13...Atlanta, Georgia 7:30 AM - 5 PM ET. **Timber Market Analysis** at Georgia Tech Global Learning Center. This class teaches a detailed approach and specific strategies for analyzing timber markets for timberland, bioenergy, wood procurement, and forestry consulting applications. Speakers: Dr. Brooks Mendell and Amanda H. Lang. Fee: \$680. Contact **Heather Clark** at (770) 725-8447.

October 13...Chambers County 5:30 - 7:40 PM. **Forest Landowners Conference** at Farmers Federation Building, LaFayette. Theme: Landowner & Logging Liability and the Use of Genetics for Trees. Speakers: Trip Walton, Walton Law, Bryant Bucher, Quest Engineering, Paul Jeffreys, ArborGen, and T. R. Clark, F & W Forestry Services. Fee: \$4.00; dinner included. Contact **Bill Frazer** at (334) 864-7865.

October 13, 14, & 15...Escambia County. **Progressive Agriculture Safety Day (Kids Only)** at Auburn Experiment Station, Brewton. Fifth grade students only. Contact **Chasity Pettis** at (251) 867-8042.

October 13-15...Escambia County. **Alabama Treasure Forest Association Annual Meeting** at Wind Creek Hotel & Casino, 303 Poarch Road, Atmore. Fee: \$100. Registration deadline is September 13. Contact **Casey Earnest** at (334) 613-4080.

October 14...Woodville, Florida. **Outstanding Tree Farmer of the Year Tour and Awards Ceremony** at the Register Family Partnership Tree Farm just south of Tallahassee. For more info call Whitney at (850) 222-5646.

October 18...Monroe County 6 - 7:30 PM. **Recreational Pond Management** at a location to be determined. Bring a water and weed sample along with any questions about your lake/pond. Contact **Willie Williams** at (251) 575-3477.

October 18-20...Moultrie, Georgia. **Sunbelt Agricultural Exposition** at Spence Field, 290-G Harper Blvd. Activities: Tractor & ATV test drives, Stock Dog Trials, educational seminars, and many more. Fee: \$20 multiday pass; \$10 single day pass. Call (229) 985-1968 for more information.

October 18-20...Athens, Georgia. **Forestry for Non-Foresters Part 1 (Oct 18)** at Flinchum's Phoenix, Whitehall Forest, 650 Phoenix Road. "This course will be especially useful for landowners and those who work with foresters and the forest industry such as forestry agencies, associations, forestry investment firms, real estate investment trusts and banking institutions with forest investments." The instructors, **Kris Irwin** and **Bill Hubbard**, led a teaser session about this course at the 2016 AFOA Annual Meeting. Fee: \$210.

Forestry for Non-Foresters Part 2 on October 19-20 is \$345. Contact **Ingvar Elle** at (706) 583-0566.

October 19...Lee County 11 AM - Noon. **Growing Loblolly Pine Trees in a Silvopasture System** at Auburn University, SFWS Room 1101. Speaker: Kozma Naka, Alabama A&M University. Refreshments served. Contact **Brian Via** at (334) 844-1088.

(CALENDAR OF EVENTS CONTINUED ON PAGE 5)

| STANDING TIMBER VALUES | | | | |
|------------------------|-------------------|-------|---------------|-------|
| | Hardwood Pulpwood | | Oak Sawtimber | |
| | \$ per ton | | \$ per ton | |
| Alabama | 2Q15 | 2Q16 | 2Q15 | 2Q16 |
| North | 15.97 | 14.19 | 47.18 | 46.53 |
| South | 13.07 | 15.69 | 44.32 | 44.40 |
| Average | 14.52 | 14.94 | 45.75 | 45.47 |

Hardwood Pulpwood — 5,800 lbs./cord
Oak Sawtimber — 17,500 lbs./1000 Board Feet (Doyle)
2nd Quarter, 2015 (2Q15) and 2nd Quarter, 2016 (2Q16)
from Timber Mart-South, University of Georgia.
★For Timber Mart-South subscription details, call (706) 542-4756 or visit www.tmart-south.com M1J 10/2016

| STOCK MARKET REPORT | | | |
|-------------------------|------|-----------------|----------|
| | | Price Per Share | |
| Company Name | | 09/15/15 | 09/15/16 |
| Potlatch (PCH) | REIT | 30.78 | 36.66 |
| Rayonier (RYN) | REIT | 22.35 | 26.05 |
| Weyerhaeuser Co. (WY) | REIT | 27.37 | 30.14 |
| Louisiana Pacific (LPX) | | 16.78 | 19.20 |
| WestRock (WRK) | | 53.83 | 46.53 |

Stock Market Report courtesy of Howard Sokol, Raymond James Financial Services, Birmingham, Alabama. Plum Creek merged with Weyerhaeuser on February 19, 2016.

| LUMBER & SHEATHING PRICES | | |
|--------------------------------|----------|----------|
| Source: Random Lengths | 09/16/15 | 09/21/16 |
| MidWeek Market Report | | |
| 2 x 4 lumber * | \$250 | \$308 |
| 7/16" Oriented Strand Board ** | \$217 | \$304 |

* 2x4 #2&Btr KD Western S-P-F (mill base price) (per 1000 board feet)
** 7/16" OSB (North Central) (f.o.b. mill prices) (per 1000 square feet)

205± acres in Dallas County. Paved road frontage, Merchantable Hardwood & Pine, and Utilities. Great Deer, Turkey, Dove, and Duck Hunting, located in the Black Belt minutes from Marion Junction. \$1,685/ac.

1,181± acres in Lowndes County. Will Divide in any feasible manner. Merchantable Pine Plantation, County Road Frontage w/ Utilities, Large Creek w/ Hardwood bottoms, great Road/Trail system, 25 Food Plots, good neighbors. 30 Minutes from I-65; located in the Black Belt and the South Zone near Collirene. \$1,750/ac.

Contact [Clint Flowers](mailto:Clint.Flowers@NationalLand.com), ALC at (251) 387-0787
National Land Realty NationalLand.com

- Dow-Jones Industrial Average: 18392.46
 - 10-year Treasury yield: 1.630%
 - Dollar: 100.76 Yen; Euro: \$1.1209
 - Oil: \$46.32/barrel
 - Gold: \$1,340.40/troy ounce
- Source: *The Wall Street Journal*, 09/23/16
- “HARVARD’S ENDOWMENT posted a 2% loss for fiscal 2016 and warned future returns could be ‘muted.’” “The S&P 500, meanwhile, gained 3.25%.” Source: *The Wall Street Journal*, 9/23/16

Real Estate Financing for
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“HOUSING IS NO LONGER THE DRAG on the economy as it was in the aftermath of the Great Recession, but it’s also no longer the driver of the economy as it was before the recession.” Source: *Virginia Tech/U.S. Forest Service Housing Commentary*, July 2016.

CLASSIFIED SECTION

CERTIFIED PUBLIC ACCOUNTANTS

JamisonMoneyFarmer PC Tuscaloosa, AL (205)345-8440
Sheldon, Rogers & Bryan, PC Mobile, AL (251)345-1252

CONSULTING FORESTER - Member: ACF

C. V. Forestry Services Clayton, AL (334)775-8345
Melisa V. Love, RF, ACF Opelika (334)745-7530
Joseph E. Rigsby, RF, ACF Georgiana (334)265-8200
Larson & McGowin, Inc. Mobile, AL (251)438-4581
Leh Bass, RF, ACF Opelika (334)749-0598
Eddie Carlson, RF, ACF Montgomery (334)270-1291
McKinley & Lanier Forest Res. Tuscaloosa 1-800-247-0041
Arthur C. Dyas, RF, ACF Mobile, AL (251)331-4017
Gibson Forest Mgmt., Inc. Aliceville, AL (205)373-6168
Forestall Company, Inc. Hoover 1-800-844-0904
John R. Stivers, RF, ACF, CF AL & GA (334)253-2139
Sizemore & Sizemore, Inc. Tallassee, AL (334)283-3611
J. Pat Autrey Fort Deposit (334)227-4239
F & W Forestry Services LaFayette (334)864-9542
M & W Forestry Consultants Ozark, AL (334)432-0467
Bear Creek Consulting LLC Grove Hill, AL (251)744-4428
Edward F. Travis Co., Inc. Mobile (251)633-8885

CONSULTING FORESTER

Stewart Forestry Services, Inc. Decatur, AL (256)350-9721
Midsouth Forestry Services, Inc. Gordo, AL 1-888-228-7531
Forever Green, Inc. Leeds, AL 1-800-498-5821
American Forest Mgmt. Prattville, AL (334)358-2345
Southern Forestry Cnslt. Enterprise, AL (334)393-7868
Eiland Forestry & Real Estate Trussville (205)655-0191
Foster Land Management, LLC Central Ala. (205)826-7741
www.ChesnutForestry.com Northeast AL (706)936-0699
Lang Forestry Consultants, LLC Selma (334)375-1065
Cliff A. Logan & Associates, Inc. Eutaw, AL (205)372-9321

CONSULTING FORESTER - continued

Graham Forestry & Appraisal Butler, AL (205)459-2472
Richard Crenshaw, RF Greenville, AL (334)382-3826

CONSULTING WILDLIFE BIOLOGIST

David Runyan (770)364-9802
Mark Thomas, CWB Hoover (205)733-0477

INSURANCE

Hunting Lease & Timberland Liability Group Policies
Alabama Forest Owners' Association (205)987-8811

LAND FOR SALE

Tutt Land Company www.tuttland.com (334)534-1315
Carlson Land Services Montgomery (334)270-1291
Hudson Hines Real Estate www.hudsonhinesrealestate.com
AFM Land Sales, LLC Prattville, AL (334)358-2345
Southeastern Land Group, Inc. 1-866-751-5263
Farm & Timber Land AL, GA, TN, FL www.selandgroup.com
John Hall & Co. www.johnhallco.com (334)270-8400

NATIONAL LAND REALTY

National Land Realty NationalLand.com (855)NLR-LAND
Eiland Forestry & Real Estate Trussville (205)655-0191
Larson & McGowin, Inc. Mobile, AL (251)438-4581
Southeastern Realty & Auction Co John Hall (334)534-0525
Longleaf Land Co. LLC longleafland.com (334)493-0123
Mossy Oak Properties - Logan Land Co. 1-877-377-5263
Target Auction Company All of 1-800-476-3939
Real Estate Auctions SE www.targetauction.com
United Country www.alalandforsale.com (251)744-4428
McKeithen Land & Realty, LLC (251)974-5656

LAND MANAGEMENT SERVICES

Scotch Land Management, LLC Fulton, AL (334)637-2128

PINE STRAW

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CCS Pine Straw ccspinestraw@yahoo.com (706)527-0732

POND MANAGEMENT

Honey Hole Fisheries Ralph, AL (205)333-3665

POSTED SIGNS

Alabama Forest Owners' Association (205)987-8811

REAL ESTATE APPRAISALS

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Graham Forestry & Appraisal Butler, AL (205)459-2472

TIMBER BUYER

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IndusTREE Timber, Inc. (334)567-5436
Ronny Wimberley Land & Timber Division 1-877-292-0056
Ideal Timber Company, Inc. 1-888-220-5591

TIMBER SALE ASSISTANCE

TIMBER BUYER LIST for your county. Printed on gummed labels ready for mailing prospectus. Just tell us the county in which your timber is located. \$15 per county. MEMBERS ONLY. AFOA, Box 361434, Birmingham, AL 35236

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SUPERIOR TREES, INC. Lee, FL (850)971-5159
WHITE CITY NURSERY Autauga Co. (334)365-2488
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Weyerhaeuser Company
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Improved Bareroot Pine Seedling pinecrest1@windstream.net

CLASSIFIED ADVERTISING RATES: First Line \$85.00/year.

“U.S. TO LEAD WORLD IN SHALE OIL PRODUCTION BY 2040.” Source: *Partnership for Affordable Clean Energy*, 8/30/16. “Alabama has several shale formations located in two different parts of the state. In Western Alabama, in the Black Warrior Basin, sits the Floyd/Neal Shale which extends into Mississippi. The second shale formation is called the Conasauga Shale which extends down from Northeastern Alabama to South Central Alabama. Both Shale formations have the potential to produce a lot of natural gas!” Source: <http://oilshalegas.com>



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 Northport, Alabama 35473
www.mckinleyandlanierforestresources.com 1-800-247-0041

BASIC TRAINING FOR THE NATURAL SIDE OF FOREST OWNERSHIP. Check out the *Master Naturalist Course* that begins on October 13 at Wind Creek State Park near Alexander City. The 40 hour course is broken down into 8 classes extending to March 9, 2017. Contact **Shane Harris** at (256) 825-1050. See page 1.

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FIRE DUES BACK IN THE NEWS. A forest owner called AFOA to report the extremely high fire dues that were charged to his forestland by a local volunteer fire department. **“It should be illegal to assess dues on undeveloped agriculture or forest land!”** If you have had similar concerns or if you know of a state legislator who would sponsor legislation that would remove unimproved land from the taxing power of VFDs, please contact AFOA at RLL@afoa.org.

TIMBER HARVEST REGULATIONS — CALIFORNIA STYLE: “In order for us to harvest timber, we comply with more than 1,300 planning, operational, and monitoring rules and regulations reviewed by no less than six different state agencies. ... This process takes an average of six months to complete and can cost more than \$50,000.” Source: *National Woodlands*, Summer 2016.

THREATENED AND ENDANGERED SPECIES SPECIALIST hired by the Alabama Forestry Commission. In addition to gathering information and providing comments to state and federal agencies, Ray Metzler will also be a resource for landowners. Ray can be reached at (334)280-3701 or ray.metzler@forestry.alabama.gov.




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WOOD SPLITTER/TREE SHEAR mounted on a skid loader is available from Messer Repair & Fabricating LLC, Sauk Center, Minnesota. Call (320) 352-3477. Seen in *Farm Show*, vol. 40, no. 5.




FOREST PROFILES: CONSULTING FORESTERS
 by Jessica Nelson



Larry Gibson of Gibson Forest Management in Aliceville started his business right after college, but says his forestry career really began when he was a child riding with his grandfather to work. What he still finds the most challenging and rewarding is the people aspect of forestry. Sometimes that means finding a balance that makes the landowner, timber buyer, and ultimately the mill happy. “Any forester has the technical knowledge to do the work, but the real work’s dealing with different people, figuring out what they need, and what you can help them do.” Establishing relationships is a big part of forestry, and Gibson prides himself on earning the trust of second and third generation clients. When he started out, Gibson turned down badly-needed work because he thought it was a bad decision that the landowner would regret. The landowner hired someone else to do the work, and then found Gibson a year later to say he’d been right. That landowner has been a client for the last twenty years. Gibson also thinks being a small landowner himself helps keep him grounded in his clients’ perspective. “They’re deciding whether to spend this money on site prep or remodeling a bathroom. You won’t see that in a textbook, but you’ve got to make those decisions,” he says.

FOREST PROFILES: FOREST PRODUCTS MANUFACTURERS
 by Jessica Nelson



Southern Wood Specialties in Flomaton, Alabama specializes in secondary products for both wholesale and retail markets. Their primary products are heart pine flooring, log siding, and tongue-in-groove roof decking in three sizes. General Manager Dietrich Bondurant says their retail market is primarily within a 300-mile radius, but their wholesale market extends up the east coast, because the native pine species in New York don’t have the strength of southern yellow pine. Roof decking is their primary wholesale product. A lot of companies make 2 x 6 roof decking, Bondurant says, but few other mills make it in 3 x 6 or 4 x 6, and even fewer offer double tongue-in-groove. And fewer still will end-match it and pre-stain it. The double tongue-in-groove offers builders more versatility, so that ends can meet anywhere in the roof rather than only on a joist. Southern Alabama is the best location they could look for in terms of suppliers, Bondurant says, with some of the best mills in the industry. All of their wood comes to the mill as lumber, even the log siding, which comes in as 2 x 8 and is put through a molder that gives it a profile for the look of log siding. The company’s specialty products and emphasis on a rustic look, like their rough cut, knotty grade pine, just aren’t the kind you can pick up at a home improvement store.

Tax Tips



by Henry Barclay, III, C.P.A.
Lehmann, Ullman and Barclay LLP

LLCs, S Corporations and FLP's

For a number of years, timber (and other business) owners have sought to obtain discounts on the value of their investment interests when they transfer them either by gift or at their death.

Transfer Tax Review

As a brief review, individual taxpayers may transfer up to \$14,000 of property to any and several individual (and in some cases trust) recipients each year. This annual exclusion amount was indexed beginning at \$10,000 and has gradually increased with the cost of living to the current \$14,000 amount.

Also, individual taxpayers may exclude from gift or estate transfer tax \$5,450,000 (each) in addition to the annual exclusion, above. Properly structured, the combined estates of a husband and wife may exclude \$10,900,000 in addition to the annual exclusion, above.

While the expansion of the exclusion of amounts has drastically reduced the number of estates subject to the gift and estate transfer tax, it has not eliminated the potential. Because of the increase in the limitations, many planning professionals report that business owners have seemingly been lulled into relative inaction with respect to their estate plans.

Timber Business Entities

Timber and business owners have desired to transfer interests in their operating businesses to their spouses, children and grandchildren. Creating business entities such as Limited liability Corporations, family limited partnerships and limited partnerships has facilitated these

transfers without the confusion and economic hardship attendant to operating in the form of an undivided ownership.

Generally, control is vested in 2 or 3 individuals, none of whom has the individual authority to completely control the business. Other owners as well as the controlling owners generally have limited interests in the ownership of the business.

For years, reality and valuation principles have held that these limited or divided interests are subject to valuation discounts which has further reduced the potential for gift and estate transfer taxes.

Internal Revenue Service Action

On August 2, 2016, the Internal Revenue Service issued proposed regulations under sections 2701 and 2704 which have the intended effect of reducing or eliminating the discount to the value of an entity interest (such as an LLC, family Limited partnership or Subchapter S corporation) which is transferred by gift or at death in reporting for tax purposes.

Entities which have been used to operate timber businesses generally have restrictions placed on their ownership unit transfers. Some but not all of these restrictions limit the transferee to family members, limit the liquidation rights and other similar restrictions. These are reasonable restrictions which assure the continuation of the business and the ownership of a family in the business.

These restrictions also have affected the marketability of individual owner's interest and have created discounts for both market and tax purposes.

The proposed regulations would eliminate the discount availability for a significant number of entities for transfer tax purposes.

Practically speaking, an owner might transfer interests which could be sold for a lower value but which might be included in transfer tax assessments at a higher value.

Timing of the Effective Date

The Hearing on the proposed regulations has been set for December 1, 2016, and it is anticipated that significant comments will be made on or before that hearing. A number of commentators suggest that transactions which seek to take advantage of the rules which the proposed regulations are targeting should be



avoided, particularly after December 1, 2016.

Timber owners recognize that land and timber assets appreciate over time. Vigilance in recognizing the current value of timber business assets is important to the continuation of timber businesses.

Potential Transfer Tax Increase

The elimination of the availability of marketability and lack of control discounts in valuing the transfer tax value of timber and business assets in general has the effect of increasing the asset value which is subject to transfer tax.

Review Your Estate Plan

Timber business owners should carefully review their estate plans to assure that sufficient other assets are available to provide for potential transfer taxes. This is also a good time to generally review your estate plan to make sure that the dispositions you have in your plan are the ones you want to make and that there is a plan in place to assure the continued operations of your timber business..

It is a good time to consult your tax and planning professionals to make sure you are accomplishing your goals!

Send Questions to:

Henry Barclay, III, CPA
Lehmann, Ullman and Barclay LLP
2908 Clairmont Avenue
Birmingham, Alabama 35205
Phone: (205) 439-6520
Fax: (205) 439-6582
E-Mail: henryb@lub.com

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MEMBERSHIP APPLICATION

MEMBER SERVICE REQUESTS

- I own 40 or more acres of forestland in Alabama and would like, at no cost to me, an Initial Consultation with a member of the Association of Consulting Foresters.*
- I am enclosing \$15 for a Timber Buyer List for _____ County.
- Guidelines for Hunting Lease Agreement
- Model for a Timber Sale Contract
- Application for Hunting Lease Liability Insurance Coverage *
- Application for Timberland Liability Insurance Coverage *
- _____ 8" x 10" Posted Signs. Enclosed is 45¢ per sign plus \$4.50 S & H ("No Trespassing Hunt Club" - yellow) ("No Trespassing—Period" - orange) circle one
- AFOA T-Shirt — Short Sleeve, \$11 or Long Sleeve, \$13.50 (call for colors and sizes)
- AFOA Ball Cap: Pink, Black, Blaze Orange w/Camo, or Denim (circle choice. \$13 each)

* This service is for landowners only. Hunters may only use the hunting lease liability insurance policy under the membership of a landowner.

(Mr.)(Mrs.)(Ms.) _____
 Name of Landowner (person, family, partnership, corporation, LLC, etc.)*
 (Mr.)(Mrs.)(Ms.) _____
 Name of Person Representing Landowner (optional)*

 Mailing Address

 City State Zip Code

 Telephone: home Telephone: work

 Telephone: fax E-Mail Address (we do not share)

 State(s) and County(ies) Where Forestland Is Located — Please List.

MEMBERSHIP FEES

(1st class postage will cause your newsletter to arrive several days earlier than bulk rate)

- 1 YEAR**
- Regular Member - Bulk Rate Postage \$16
 - Regular Member - 1st Class Postage \$28
 - Sustaining Member - 1st Class Postage \$160
- 2 YEARS**
- Regular Member - Bulk Rate Postage \$31
 - Regular Member - 1st Class Postage \$55
 - Sustaining Member - 1st Class Postage \$320
- 3 YEARS**
- Regular Member - Bulk Rate Postage \$46
 - Regular Member - 1st Class Postage \$82
 - Sustaining Member - 1st Class Postage \$480

SEND APPLICATION & PAYMENT TO:

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P. O. Box 361434
Birmingham, AL 35236

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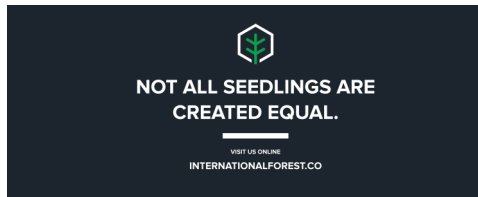
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(CALENDAR OF EVENTS CONTINUED FROM PAGE 1)

- October 19...Online 12 PM Noon CT. **High Performance Wood Structures: An Example of Increased Efficiency in Multi-Family Construction Webinar.** Tell your builder and architect friends about this webinar. Email any questions to Karen Droste at ka-ren@woodworks.org.
- October 19-21...Jackson, Mississippi. **Mississippi Forestry Association Annual Meeting** at the Hilton Jackson. Fee: \$445. Contact Casey Anderson at (601) 354-4936.
- October 20...Coosa County. **Central Region Forestry Field Day at Rolling Mountain Plantation.** RSVP to Jennifer or Lori at (256) 377-4713 or (256) 377-4750.
- October 20...Crestview, Florida 8:30 AM - 1:30 PM. **Managing Your Forests and Farms for Fish and Wildlife** at University of Florida Institute of Food and Agricultural Sciences Extension Office. Lunch provided, but pre-registration by October 15 is required. Call Billie Clayton at (850) 767-3534.
- October 20...Bryceville, Florida 9:30 AM - 3 PM ET. **Managing Your Forests for Timber & Wildlife** at Jacksonville Forestry Station, 7247 Big Oaks Road. Classroom instruction followed by afternoon walking tour of the Foster Family Tree Farms. Lunch provided, but you must pre-register by October 11. Contact Robin Holland at (352) 732-1273.
- October 20...Shelby County 6 PM. **Dinner and Discussion** at The Boot at Brook Highland, 5279 Highway 280, Birmingham 35242. Enjoy dinner and discuss the issues with other landowners. Dutch Treat dinner at 6 PM with 30 minute program starting about 6:45 PM. *Limited seating. Walk-ins may not have a seat.* To attend, RSVP AFOA at (205) 987-8811.
- October 25-26...Watkinsville, Georgia. **Forest inSight Conference** at Oconee Civic Center, 2661 Hog Moun-

- tain Road. Fee: \$167.50. Field tours included. CFE and CLE credits available. Contact Cara Monfort at (229) 985-0321.
- October 25-28...Tallahassee, Florida. **Prescribed Fire for Wildlife** at the Tall Timbers Research Station, 13093 Henry Beadel Drive. The training combines classroom lectures, panel discussions, and field exercises covering a variety of wildlife and habitats. Contact Jim Schortemeyer at (239) 455-5847.
- October 26...Macon County 8:30 AM - Noon. **Wildlife Candy: Planting Fruit Trees for Wildlife** at The Wildlife Group, 2858 County Road 53, Tuskegee. Topics include: types of trees, wildlife benefits, genetic improvements, and proper establishment of new trees. This landowner workshop is free, but registration is required by October 21. Rain-out date is November 2. For more information call Matt at (334) 725-0034.
- October 26...Lee County 11 AM - Noon. **A Brief Overview of U.S. Timberland Investments** at Auburn University, SFWS Room 1101. Speaker: Richard Hall, Forest Investment Associates. Refreshments served. Contact Brian Via at (334) 844-1088. *Mr. Hall gave a Timber Market Report at the 2016 AFOA Annual Meeting which can be watched here: <http://www.foa.org/meetings/AM2016/Hall.htm>*
- October 26...Online 12 Noon CT. **The Biology, Diagnosis, Epidemiology, and Management of Oak Wilt in the Southeastern U.S.** This webinar will instruct attendees "how to identify oak wilt (and distinguish it from similar oak maladies) and what to do once it's infected a tree. Management options, including chemical, will be covered." Contact Bill Hubbard at (706) 340-5070.
- October 26...Hattiesburg, Mississippi 1 - 3 PM. **Public Meeting on the Black Pinesnake** at Forrest County Extension Office, 952 Sullivan Drive. "A public meeting will be held for private forest landowners who would like additional information, or have questions about how the 4(d) ruling could impact their future

- forest management activities. Speakers will be from the USFWS office in Jackson, MS. Topics will include identification characteristics of the black pinesnake, and how this listing might impact forest management activities on private land." Call Forrest County Extension at (601) 545-6083.
 - October 26...Webinar 1 PM CT. **Buying Seed: Not a Leap of Faith.** This webinar "will discuss the physical, physiological, health, and genetic qualities that determine seed quality. We will also look at various ways to calculate seeding rates." For more information email Holli at holli.kuykendall@gnb.usda.gov.
 - October 27...Cleburne County 8 AM. **North Region Forestry Field Day/Landowner Tour** at Jimmy and Sue Jimmerson's Farm, 30544 County Road 49, Fruithurst. Topics include: Managing Your Timber, Archeological Sites on Your Property, Permanent Stream Crossings, and Prescribed Burning in Hardwood. PLM and CFE points available. Lunch provided. Contact Cindy Beam at (256) 463-2620.
- NOVEMBER 2016**
- November 1-2...Fort Pierce, Florida. **Small Farms and Alternative Enterprises Conference.** Fee: \$75; \$10 discount if paid by 10/10. Contact Jose Perez at (352) 294-1692.
 - November 1-4...Savannah, Georgia. **Biennial Longleaf Conference.** Fee: \$515. Contact Carol Denhof at (678) 595-6405.
 - November 4...Talladega County 9 AM - 1 PM. **Fall Forestry Field Day/Landowner Tour.** Pre-register by 10/28. Call Thomas McDaniel at (205) 669-5121.
- FUTURE SCHEDULED EVENTS CAN BE FOUND ON AFOA'S EVENTS CALENDAR AT WWW.AFOA.ORG.
- ...
Always Call Ahead to Confirm Program Details



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“MY LAND IS POSTED with ‘No Trespassing’ signs. But a group of teenagers went four-wheeling on it without my permission. One of them drove into a small pond and got stuck. They damaged the four-wheeler pulling it out, and now the boy’s parents want me to pay to have it fixed. Are they kidding?” *The Progressive Farmer* (9/16) replied: “Maybe not. But don’t worry about writing a check anytime soon. If you knew the kids were routinely trespassing, they are called ‘anticipated trespassers.’ In this case, you may carry more responsibility to warn them of dangerous conditions on your land. But assuming the trespass was not anticipated, you have no duty to warn them of what might be a dangerous condition on your land. In this instance, they might feel grateful that you haven’t prosecuted them for trespassing.”



WANTED! AFOA is developing a list of forestry school faculty members from all over the U.S. who are **unabashed champions of private forest ownership.** The people on this list look at every forestry issue from the perspective of a supporter of private property rights. They understand that private forest ownership is not common in the world and have been known to argue for the expansion of private forest ownership as a solution to many forest and forestland problems. Send names of nominees with documentation to AFOA — RLL@afoa.org.

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LARGE TIMBERLAND OWNERS REPORT (2016):

- 571 trees planted per acre with an 87.8 percent survival rate
- 83 percent conduct first thinnings and 71 percent also conduct second thinnings
- average age of first thinning is 15 years with \$371/acre revenue
- average age of second thinning is 21 years with \$401/acre revenue
- average age of final harvest is 33 years, with range of 21 to 75 years, with clearcut revenue of \$1,614/acre

Source: Report compiled by Forisk Consulting and published by Forest Resources Association, *Technical Release 16-R-17*, 8/16.

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| | |
|----------------------|------------------------|
| Sawtooth Oak | Japanese Persimmon |
| Gobbler Sawtooth | Thornless Blackberries |
| Burr Oak | Methley Plum |
| Chinese Chestnut | Chickasaw Plum |
| Dwarf Chinquapin Oak | Black Berries |
| Callaway Crab Apple | Tree Protectors |
| Yates Apple | And More!! Persimmon |

Creating a wildlife habitat is our business.

ABOUT 1,000 AFOA MEMBERS have not yet renewed their hunting liability insurance coverage at the time this newsletter is being written. Remember, deer gun season begins on November 19 and many small game and migratory bird seasons have already opened.

FORESTER RUSSELL MILLER is a member of the Alabama Farmers Federation’s Agricultural Leaders for Alabama program. Seventeen young ag & forestry professionals will participate in the 2-year program focused on personal development, political involvement, effective communications and understanding of the Alabama Farmers Federation. Miller works for Jasper Lumber Company in Walker County.

NEW HAMPSHIRE TIMBERLAND OWNERS ASSOCIATION pushed legislation that “will help landowners deal with illegal dumping and property damage” from illegal off-highway recreation vehicles (OHRV). “The legislation creates a ‘private right of action’ for a landowner against any person who dumps waste on their property or vandalizes it through use of OHRVs.” Landowners are entitled to up to three times the cost of damages, plus attorney’s fees. Source: *National Woodlands*, Summer 2016. New Hampshire Public Radio, 5/19/16, reported: [For Off-Roaders The Possibility of an Expensive Incentive to Behave.](#)

NEBRASKA RESEARCHERS have developed a small drone that can be used to light prescribed fires using “‘dragon eggs,’ spheres filled with combustible material” that can be dropped on command by the drone pilot. A video is at bit.ly/22W7x1T.

WIRELESS DEER FENCE “Really works,” according to Dr. James Brester, DVM. The 19” poly posts hold scent tubes with sweet oil that attracts deer. When they touch it, the deer get a shock from electrodes and charging circuit. Visit <https://www.wirelessdeerfence.com> or call (812) 333-5307. Seen in *Farm Show*, vol. 40, no. 5.