

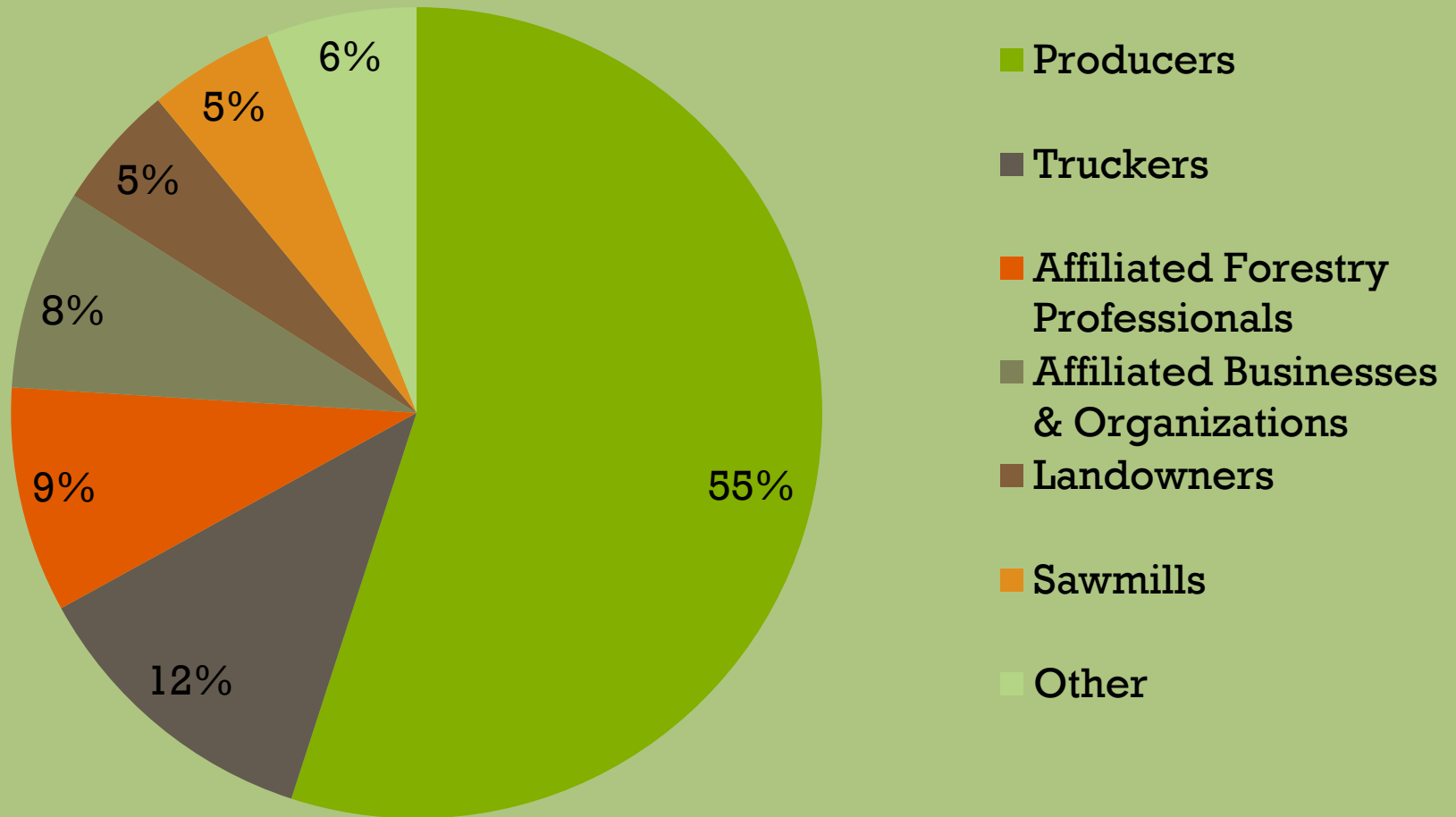
Sustainable Forestry Conference

Florence, WI



**Formerly known as Michigan & Wisconsin
Timber Producers established July 29, 1940**

Current GLTPA Membership





United States Capitol

Washington DC



**AMERICAN
LOGGERS
COUNCIL**





Support the Future Careers In Logging Act

H.R. 1785, S.818

The American Loggers Council (ALC) is a non-profit organization representing professional timber harvesters in 32 states. It is our goal to ensure the health of the industry and in so doing support entrance of youth into this important economic sector of our country, opening up opportunity that is already afforded to farmers and ranchers to professional timber harvesters. Like farming and ranching, the timber harvesting profession is often a family run business where the practice and techniques of harvesting and transporting forest products from the forest to receiving mills is passed down from one generation to the next.

Timber harvesting operations are labor intensive, highly mechanized and technical careers that require on-the-ground training to promote efficiencies and expertise in performing those operations. Today's current mechanical logging machines are enclosed with safety cages that protect the occupant from many of the hazards previously experienced in conventional chain saw harvesting operations. The workman's comp. claims history bears this out – logging in today's enclosed machines is as safe as many other professions where sixteen to eighteen year olds are allowed to work.

In many respects, timber harvesting operations are very similar to family farms with sophisticated and expensive harvesting equipment that requires young men and women to learn how to run the business, including equipment operation and maintenance, prior to obtaining the age of eighteen.

Currently, there are no on-the-ground programs in place to facilitate that training and ensure the sustainability of the timber harvesting industry's next generation of family members who choose to enter the profession.

Other agricultural businesses, including farmers and ranchers, enjoy exemptions to existing child labor laws that permit family members between the ages of sixteen and seventeen to participate in and learn the operations of the family businesses under the direction and supervision of their parents. However, young men and women under the age of eighteen who are members of families that own and operate timber harvesting companies are denied the opportunity to work and learn the family business because of current child labor laws.

The American Loggers Council (ALC) supports extending the agricultural exemption now enjoyed by family farmers and ranchers to train their sixteen and seventeen year old sons and daughters to carry on the family business to mechanical timber harvesters. The exemption found in H. R. 1785/S.818 that would ensure that the next generation of mechanical timber harvesters can gain the needed on-the-ground training and experience under the close supervision of their parents who have a vested interest in their children's safety and in passing down the profession to the next generation of timber harvesters. For more information, please contact the American Loggers Council at 409-625-0206.

2019 Future Careers in Logging

Introduced March 14, 2019



Safe Routes Save Lives

Unrefined forest products including logs, pulpwood and wood chips are forest commodities that are harvested in mostly rural areas of the United States. As such, the American Loggers Council is seeking pro-active legislation whereby safety for rural and urban citizens is enhanced simply by rerouting state legal trucks from rural roads to the interstate system. Saving lives and extending the longevity of rural infrastructure are top priorities for the American Loggers Council and its 35 states membership.

Several safety exemptions diverting state legal trucks to the interstate have already been enacted with great success. Examples include exemptions in Wisconsin, Minnesota, Maine and Texas, and Louisiana. These congressional exemptions have been overwhelmingly supported by State DOT's, local counties and towns and short distance trucking companies utilizing state approved haul weights. The primary benefit of this exemption would be to:

Greatly enhance public safety in urban and rural areas: Safer routes can save lives!

Based on safety considerations, the American Loggers Council (ALC) is proposing an additional exemption for loads of unrefined forest products that meet state-legal weight tolerances. The exemption is expected to result in a shift of a substantial amount of existing trip mileage from two-lane secondary roads and highways to the Interstate System improving safety for the motoring public, including the trucks themselves.

This proposal would also "fix" the issue with the addition of "newly" designated federal interstate highways having to receive piecemeal exemptions based on existing State weight tolerances.

This action will not be in direct competition with freight moved by rail as it will only pertain to those unrefined forest commodities moving from the forests on to the Federal Interstate Highway System considered to be short haul (less than 150 air mile radius) to the point of processing to a finished product.

Language amending Title 23, United States Code, with respect to vehicle weight limitations for certain logging vehicles by adding the following final paragraph:

"(v) Certain Logging Vehicles. -

"(1) IN GENERAL. - The Secretary shall waive, with respect to a covered logging vehicle, the application of any vehicle weight limit established under this section.

(2) COVERED LOGGING VEHICLE DEFINED. -

In this subsection, the term 'covered logging vehicle' means a vehicle that-

(A) is transporting raw or unfinished forest products including logs, pulpwood, biomass, or wood chips;

(B) is traveling a distance not greater than 150 miles on the Interstate from origin to final product delivery destination; and

(C) meets State legal weight tolerances within the States boundaries in which the vehicle is operating.

(3) APPLICATION OF WEIGHT TOLERANCES. -

The waiver in this subsection shall only apply with respect to a State legal weight tolerance in effect on the date of enactment of this subsection."

For assistance regarding this proposal, please contact Danny Dructor, American Loggers Council, (409) 625-0206.

Safe Routes Act

Formally called the Right to Haul Act



United States Department of Agriculture

FOREST PRODUCTS MODERNIZATION

Partner Feedback Sessions Summary Report



Forest Service

Washington Office

January 2019

Forest Products Modernization

For more information or to comment
please email
[forestprod_moderernization@fs.fed.
us](mailto:forestprod_moderernization@fs.fed.us)

How Does the New Tax Law Act Impact Equipment Trades?

January 16, 2018
Kristine A. Tidgren

The Tax Cuts and Jobs Act preserved like-kind exchange treatment for real property, but eliminated it for personal property. Today, we take an initial look at what that means for farmers or other taxpayers looking to trade equipment or livestock in 2018. We will soon write separately about vehicle depreciation and trades in light of the new law.

Pre-Tax Cuts and Jobs Act Law

Under 2017 law, IRC § 1031 non-recognition treatment was mandatory for a qualifying exchange of personal property. Those who did not want to apply §1031 like-kind exchange rules to a trade typically had to structure the transaction as a clear sale and purchase to avoid being automatically deemed a like-kind exchange by IRS and the courts. Taxpayers could generally accomplish this by selling the old asset to a different party than the one from whom the new asset was purchased.

With a §1031 exchange, gains or losses on the exchange of like-kind personal property used in a trade or business were generally deferred. This meant that if a farmer traded a fully depreciated piece of equipment for a newer model, the like-kind exchange rules applied, and recognition of IRC § 1245 recapture was deferred. If a farmer traded several raised breeding heifers for some like-kind cows, § 1231 gain would be deferred on that transaction as well. In a like-kind exchange, the basis of the relinquished property was carried over to the basis of the replacement property, and gain recognition was rolled ahead until such time as the replacement property was sold. Specifically, the basis of the replacement property was equal to:

Basis of the relinquished property - Boot received + Boot paid + Gain recognized - Loss recognized

Gain (but not loss) was *recognized* only to the extent that the boot received exceeded the gain realized. A loss was *recognized* only if property given was not like-kind and the adjusted basis exceeded its FMV.

A basic example illustrates this formula:

In 2017, John traded a tractor with a FMV of \$75,000 and an adjusted basis of \$0 for a tractor with a fair market value of \$125,000, plus \$50,000 in cash.

Under old law, applying automatic like-kind exchange treatment, IRC § 1245 recapture was deferred, and the basis in John's replacement tractor was **\$50,000** (\$0 basis in relinquished tractor, plus boot paid). John reported the transaction on Form 8824, and could generally use IRC § 179 to immediately expense \$50,000, the amount of boot paid in the transaction.



Madison

WI – DOT Governor's Budget

1. Motor Fuel Tax Increase

The Governor recommends increasing the motor fuel tax by 8 cents. The fiscal impact is an estimated increase in tax revenue to the transportation fund of \$207,351,000 in FY20 and \$277,573,800 in FY21.

2. Indexing the Motor Fuel Tax

The Governor recommends restarting indexing of the motor fuel tax to the consumer price index. The first indexing adjustment in the motor fuel tax would occur on April 1, 2020, and each year thereafter. The fiscal impact is an estimated increase in tax revenue to the transportation fund of \$6,721,600 in FY20 and \$34,910,000 in FY21.

3. Increase in Heavy Truck Fees

The Governor recommends increasing the registration fees for heavy trucks by 27 percent. The fiscal impact is an estimated increase in fee revenue to the transportation fund of \$15,579,800 in FY20 and \$20,773,100 in FY21.

4. Increase in Vehicle Title Fees


The Governor recommends increasing original and transfer title fees by \$10. The fiscal impact of the \$10 increase in each fee is an estimated revenue increase to the transportation fund of \$15,314,100 in FY20 and \$20,418,800 in FY21.

5. Hybrid Vehicle Fees

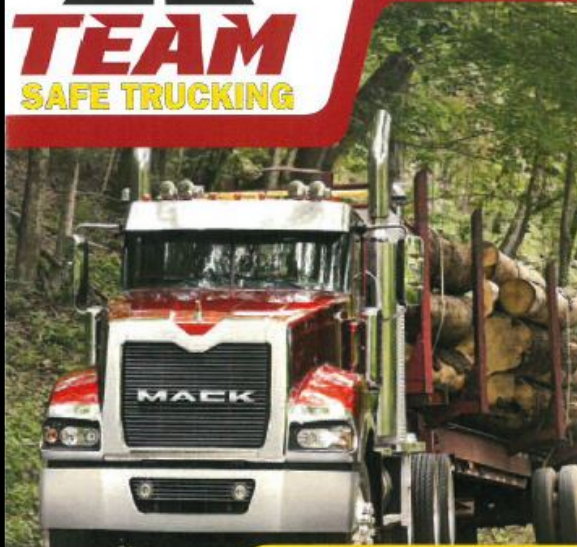
The Governor recommends amending the statutory definition of a hybrid vehicle to allow for the collection of the hybrid vehicle fee surcharge. The fiscal impact of the statutory change is an estimated revenue increase to the transportation fund of \$3,070,200 in FY20 and \$6,675,100 in FY21.

6. Ending the General Fund Transfer

The above revenue adjustments will create a sustainable source of revenue to the transportation fund. Therefore, the Governor recommends ending the transfer of 0.25 percent of general fund tax collections to the transportation fund.


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Lansing

GLTPA Hires New MI Lobbyist



Karoub Associates

Michigan Legislative Agenda

- ◉ Michigan log plate – purchase requirements
- ◉ Axle weight tolerance similar to Wisconsin
- ◉ Contract length for winter only timber sales
- ◉ Load securement for Wisconsin crib trucks hauling into Michigan



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Wayne Gretzky

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