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From the Coordinator's Desk

by James Henderson, Extension Specialist

Although it seems far too soon to be thinking about it, 2015 will be over before you know it and another year will have ended. It is not too soon to start gathering information for your 2015 income tax returns. No doubt some of you will have sold timber this year, or reforested a property. There are certain IRS provisions you can benefit from that can greatly reduce the amount of income tax you will be required to pay. Are you aware that timber sales can qualify as a long-term capital gain? Wouldn't you rather pay a tax rate of 15% rather than 25% to 35%? Some tax payers may even qualify for a 0% tax rate for timber sales. Did you know that you are allowed a tax deduction of up to \$10,000 per year for reforestation costs? In some cases tax on a timber sale from an inherited property may be next to nothing. Even if no timber was sold and/or no trees were planted, all landowners have some kind of annual expense associated with managing their timberland. These management costs can be deducted to various degrees from your other sources of income (e.g., wages or salaries), depending upon your ownership role (i.e., investor or business owner of timberland).

The MSU Extension Forestry Program is offering an upcoming short course entitled "Income Taxes and the Family Forest". It is currently scheduled to be given in Liberty, MS on September 29, and again in Brandon, MS October 13. Additional dates and locations will be scheduled as demand dictates. If you are interested in reducing your taxes to the minimum required by law, you should consider attending one of these courses. Links to brochures and registration forms can be found on all of our social media sites (Facebook, Twitter, and blog - web addresses are at the bottom of this page) They can also be found under Forestry/Events on the MSUCares website, along with additional information and publications on income taxes and the family forest. Look under the "Timber Taxation" section/heading.

This is just one of the many subject areas that your MSU Extension Forestry Program offers in the way of educational courses and research based publications. If you haven't already, we encourage you to visit our blog and sign-up for email alerts. This way you will always know about upcoming forestry education events conducted anywhere in the state. We also use the blog to alert you about new publications and the quarterly timber price report. If you haven't done so already, please visit the blog and join our email list.

Feature Article

Benefits of Having a Forest Management Plan

John D. Kushla, Extension Forestry Specialist

Forestry requires a long-term commitment of resources. Before making a management decision about your timber, you should consider your ownership goals and objectives. Why do you own forest land? What do you want your forest to provide? How will you accomplish this? Many forest management objectives are compatible. For instance, it is often possible to produce timber for a profit and still have wildlife and recreation.

A written forest management plan is the most effective way for a landowner to achieve their envisioned outcomes. The owner, working with a professional forester, provides information on what his/her objectives and goals are, and the professional forester then develops a schedule of activities tailored to meet those objectives and goals. Ownership objectives will determine the type and intensity of prescribed management practices, the desired tree species and product, and the investments needed to reach the stated goals. A completed plan will include the names of the owners, a description of the property, a map of timber types and other features, ownership objectives, and a schedule of activities. It will also provide an estimate of the costs and returns for anticipated products during the production period. The planning horizon for a forest management plan is usually 5-10 years, (barring any disaster events) at which time it will be re-evaluated with the landowner and updated.

Following a management plan can reduce the cost of good forestry because it provides guidelines that fit ownership objectives, timberland conditions, and finances. To the contrary, harvesting mature timber without prior planning can result in settling for less than what the timber is worth, site damage from not following Mississippi best management practices, and/or a lack of adequate regeneration. Proper planning will avoid these and other management mistakes.

Financially, there are a number of tax benefits and cost-share programs available to the forest landowner that should be considered when determining the most advantageous investment level. Tax provisions to help lower or recover costs include capital gains tax treatment, timber depletion deductions, and amortization recovery of reforestation costs or investment tax credit for reforestation. There are also government incentive programs available through the US Department of Agriculture or the Mississippi Forestry Commission that will help pay for certain management practices.

Forest landowners may obtain a written management plan from a forestry consultant, or from the Mississippi Forestry Commission if they qualify for the Forest Stewardship Program. Having a plan is your "roadmap to success" for achieving your forest management goals while providing enjoyment to you and your family.

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and friend/follow us on Facebook & Twitter
<https://www.facebook.com/MississippiStateUniversityExtensionForestry>
<https://twitter.com/MSUExtForestry>
NEW! See our blog at: www.blogs.msucare.com/forestry

Note: The 3rd quarter newsletter format is the same as the 2nd quarter. The font and page size is larger. When printing, under "size options" you will need to choose "fit", or if you wish to keep the 12 pt font for printing you will need to copy/paste. Please send your comments about which setup you prefer to me at: l.garnett@msstate.edu

The Overstory

Teacher's Conservation Workshop

by Butch Bailey, Extension Specialist

Much has been written about "Nature Deficit Disorder" and the repercussions to a society when young people lose connections with the outdoors. One way MSU Extension Forestry works to reestablish that connection is by getting teachers outdoors and learning about nature, and equipping them with information and tools to help them inspire a passion for nature in their students. Each year MSU Extension Forestry partners with the Mississippi Forestry Association to conduct two week-long workshops for teachers that do exactly this, while also offering 5.0 Continuing Education Credits for the participating teachers. We call these our Teacher's Conservation Workshops.

The 52nd annual Teacher's Conservation Workshop was held this June in Ellisville, MS and Booneville, MS. During these two workshops, 50 teachers were given a guided tour of Mississippi's forests and forest industry by dozens of natural resources professionals. The workshops are built around the simple idea of giving teachers an in-depth crash-course in all aspects of forestry and conservation; but most importantly it is about equipping them with hands-on tools to get that information into their classrooms.

Each week begins with classroom lessons on forest ecology, the history of forestry and logging, and how our modern forest industry approaches sustainability. The week includes industry tours of sawmills, veneer mills, pulp mills, and other forest product manufacturing facilities. However, the week isn't spent focused solely on industry. The teachers are also taken on tours of our national forests, state parks, small private landowner tree farms, and other scenic non-industry locations.

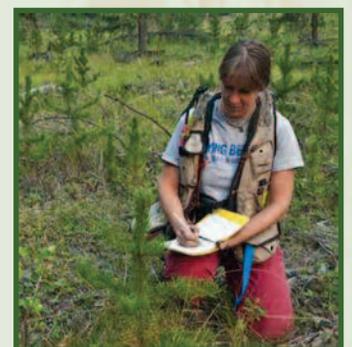
In addition to the general information the teachers gain, they also participate in Project Learning Tree (PLT), a professionally developed curriculum that includes dozens of practical lesson-plans that give teachers the tools to "bring the outdoors into the classroom." We know from teachers who have participated in TCW in the past that PLT is a valuable tool and really makes a difference in the lives of Mississippi school children.

Conservation means the wise use of the earth and its resources for the lasting good of men.

Gifford Pinchot



What Kind of Forest Management Plan Do I Need?



Taking data for a Forest Management Plan



TCW: Pointing out a Snag Tree Left for Wildlife



TCW: Measuring dbh with a Biltmore Stick



TCW: Getting on-site instruction during one of the field tours

Delta Hardwood Notes

by Brady Self, Extension Specialist

Problems with Management of Hardwood Plantations (Part 1)

One does not have to drive far through the Delta to see a sampling of hardwood plantations established through federal cost share programs such as the Conservation Reserve Program (CRP) and the Wetlands Reserve Program (WRP). These programs have supported the afforestation of approximately 428,000 acres of retired agricultural fields in the Delta region of Mississippi. A significant portion of these efforts concentrated on planting bottomland oak species back onto the landscape.

Historically, afforestation of open areas occurred through natural succession over a period of many years, and involved multiple tree species. Eventually some of these areas developed valuable timber over lengthy periods of time. The economic value often associated with natural bottomland hardwoods stands is primarily a function of high initial stocking of seedlings. Naturally regenerated hardwood stands outside of the Mississippi River levee system usually possess a variety of site-appropriate species, and seedling densities often in the tens of thousands. Obviously, seedling densities this high are unrealistic from both an economic and logistical standpoint when considering artificial regeneration. Early CRP/WRP density specifications resulted in an average planting density 303 trees per acre (12ft x 12ft spacing) and often, only a single oak species was planted on any given area. While a multitude of establishment problems was (and still are) encountered in hardwood plantation forestry, the rest of this series will focus on problematic stand conditions and management options in older plantations.

Please check <http://msucare.com/forestry/index.html> for upcoming programming information if you are interested in attending a workshop or short course detailing information in this area.



A Mississippi Forestry Commission Program

"Landowners participating in the Mississippi Forest Stewardship Program can enjoy the many benefits derived from well-managed forest while knowing future generations will appreciate a legacy built on the stewardship ethic."



19-yr-old Nuttall oak plantation



Mississippi Timber Price Report



2nd Quarter 2015

The Mississippi Timber Price Report (MTPR) is a quarterly survey of stumpage timber prices in Mississippi. It is developed to provide a picture of timber market activity. The state average prices for common forest products are listed. Values given are offered as a guide to help individuals assess the fair market value of their timber. The average price should not be applied as the exact value for a particular tract. This report is updated quarterly and available at MSUCares.com/forestry, or by contacting your local county Extension office.

QUARTER'S PRICES: 2nd Quarter 2015 Stumpage Prices/Ton (Source: Timber-Mart South)

Pine Sawtimber - \$25, Pine Chip-N-Saw - \$14, Pine Pulpwood - \$8,
Mixed Hardwood Sawtimber - \$33, Hardwood Pulpwood - \$9

NOTE: Prices vary widely across the State; thus, average prices presented here may not reflect your local market.

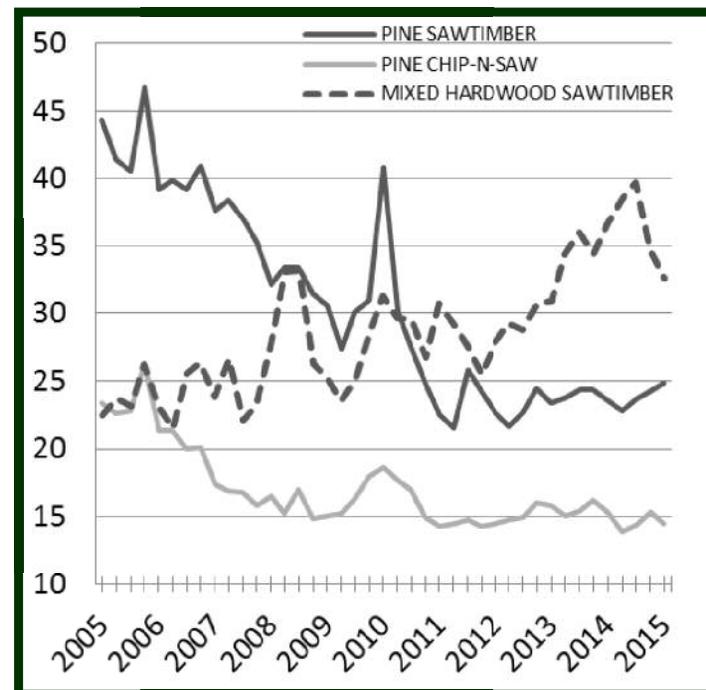
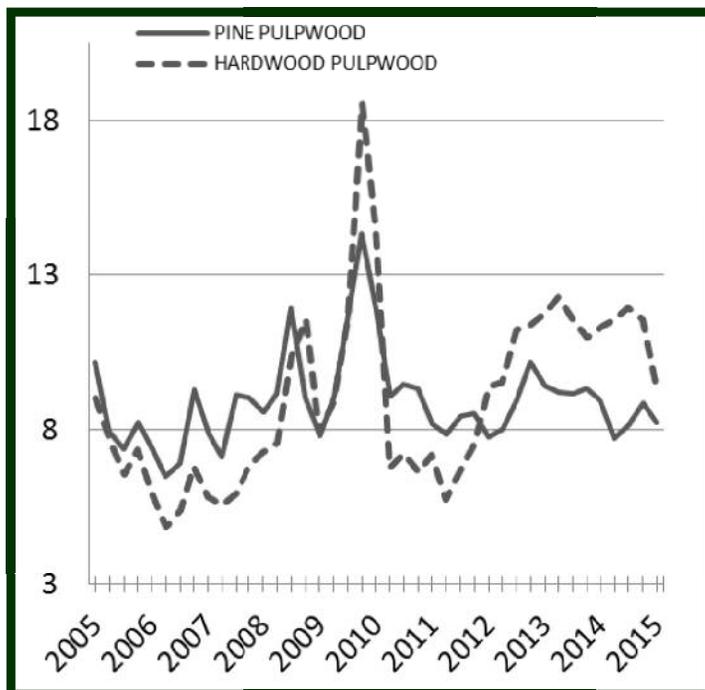
WHAT'S MOVING PRICES - TRENDS:

Product prices for all product categories decreased during the 2nd quarter with the exception of pine sawtimber.

Pine sawtimber increased by 2.5%, pine chip-n-saw decreased by 5.8%, and pine pulpwood decreased by 7.9%. Stumpage prices for hardwood decreased from the previous quarter by 6.1% for mixed hardwood sawtimber and by 20.5% for hardwood pulpwood.

TIME SERIES:

**Average Mississippi Pine and Hardwood Stumpage Prices
2nd Quarter 2005 through 2nd Quarter 2015
(All prices in \$/TON)**



Timber-Mart South (TMS), Inc. has more detailed data available by subscription that contains values for other timber products not included in this report. TMS is compiled and produced at the Center for forest Business, Warnell School of Forest Resources, University of Georgia, under contract with the Frank w. Norris Foundation, a non-profit corporation serving the forest products industry. See <http://WWW.TMART-SOUTH.COM> for information on subscriptions.

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The Mystery of the Yellow Bush - Part I

by Don Bales, Extension Specialist

Have you ever seen something in nature that is difficult to explain? Last year in early June I was driving the highway to my office when I noticed a bright yellow color about 200 yards out in a cutover. At first I thought it must be a yellow plastic bag entangled in the brush. Because I just had to know, I turned around and went back to take a look with my binoculars. No, it appeared to be vegetation. No evidence of herbicide damage or other unnatural causes.

After walking out to photograph and identify this plant, I knew what it was but I had no idea how common or rare the yellow foliage might be. Do you know what this plant is? Do you have an explanation for why this particular species can grow bright yellow leaves from stump sprouts? I have asked several people and discovered that it is fairly common in this species. However it is rare in other hardwood stump sprouts grown in bright sunlight. If you can explain this phenomenon, please contact me and let me know the answer. My email is don.bales@msstate.edu. We will publish the answer, if we can determine it, in Part II.



Do You Know What It Is?



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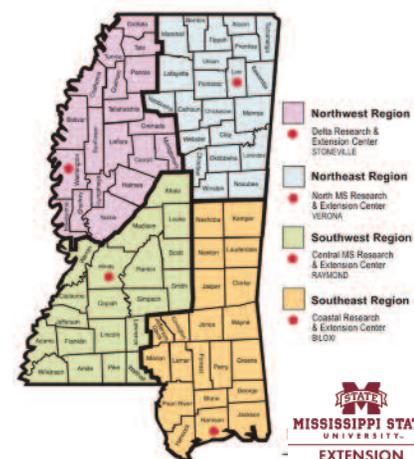
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MSU-ES Region Map



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