



## Your Forest Savings Account During Troubled Times Pause. Plan. Act.

Owners of forestland have a savings account in their trees. Each year, that account grows as the sun, rain and soil combine to help the trees grow bigger and more valuable. It's a long-term account that requires years to build. As with other long-term investments, planning, management and patience are the keys to realizing the optimal benefit of your forest resource when it's needed. With appropriate planning and timing, withdrawals can be made, and the years of patience are rewarded.

But life happens and plans change. During the global COVID-19 crisis, some may face job loss, reduced hours, unexpected medical bills or other financial hardships. Forest landowners facing uncertain financial times may consider withdrawals from their forestland savings account in the form of timber harvests. After all, these are precisely the times for which a savings account is meant to exist.

It is important to remember that you're not alone as you make decisions about your forestland. The Virginia Department of Forestry (VDof), Virginia Cooperative Extension (VCE), and the Virginia Forestry Association (VFA) have resources available to address some of the specific concerns forest landowners may have during these uncertain times.

[VDof – COVID-19 Resources](#)

[VCE – COVID-19 Updates](#)

[VFA – COVID-19 Resources](#)

Perhaps most importantly, we offer the following advice to landowners: Pause. Plan. Act.

### Pause.

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Carefully consider both your long-term and short-term needs. Trees take a relatively long time to grow and mature – such investments are generally measured in decades rather than years, and you have a lot of time equity already invested. Any decision you make today will affect your forest account for years to come.

Ask yourself: Can just a particular section of your timber meet your immediate financial needs, rather than cutting it all now? To most accurately answer this question, you need to reference your forest management plan.

## Plan.

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A forest management plan, prepared by a trusted professional forester, focuses on your goals and objectives, based on your land and its ability to produce, in the context of short and long financial needs. This plan is a critical component for your forestland investment.

The Virginia Department of Forestry or private professional foresters can assist you by preparing a forest management plan. **It is not too late to reach out to these professionals and advisors now**, and it's important to do so before you take any next steps.

[VDOF Contacts](#)

[Consultant Foresters](#)

[Forest Management Resources](#)

## Act.

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Now is the time to act wisely, not hastily. Through a forest management plan, you and your forester can identify portions of your property (or timber stands) that are appropriate to harvest. While this may sound obvious, it is essential to know what you have before you sell it; some landowners will sell to someone who contacts them without first knowing how much timber they have or how much it should be worth. **Be particularly wary of unsolicited offers and always request references that you can verify!**

When taking action on sales from your forestland, a private consulting forester working for you can be most helpful. They can inventory, evaluate, and handle the marketing and sale of your timber. Consultants are experienced professionals who know the markets, while most landowners have never, or seldom, sold timber. Trust in the professionals working for you to prepare strong sales contracts that will protect you and your land and assure that you will receive a fair price paid in full.

[Timber Selling Tips](#)

[So You Want to Sell Timber](#)

[Selling Your Timber Webinar](#) April 15 [12:00](#) & [7:00](#)

Choosing a reputable and professional logging contractor is equally important. As with choosing any contractor to work for you, get references, confirm insurance, and strongly consider using one who is [SHARP Logger trained](#) and/or a member of the [Virginia Loggers Association](#).

Part of your forest and timber sale planning should include tax planning, and this will make a big difference in your final net revenue.

[National Timber Tax](#)

[USDA – Helping Forestland Owners Navigate Tax Code](#)

Your land is a great asset for the long term. Part of your forest management plan is looking forward, and a timber harvest is just the first step in creating a new forest. Actions now should include making a plan for this new forest, including the [establishment of a new stand](#). Whether through planting or natural regrowth, starting a new forest will require you to set aside a portion of the timber sale revenue to invest in your new savings account.