



Ohio Revised Code Section 5812.35 Timber.

Effective: January 1, 2007

Legislation: House Bill 416 - 126th General Assembly

(A) To the extent that a trustee accounts for receipts from the sale of timber and related products pursuant to this section, the trustee shall allocate the net receipts in accordance with all of the following:

(1) To income, to the extent that the amount of timber removed from the land does not exceed the rate of growth of the timber during the accounting periods in which a beneficiary has a mandatory income interest;

(2) To principal, to the extent that the amount of timber removed from the land exceeds the rate of growth of the timber or the net receipts are from the sale of standing timber;

(3) To or between income and principal, if the net receipts are from the lease of timberland or from a contract to cut timber from land owned by a trust, by determining the amount of timber removed from the land under the lease or contract and applying divisions (A)(1) and (2) of this section;

(4) To principal, to the extent that advance payments, bonuses, and other payments are not allocated pursuant to division (A)(1), (2), or (3) of this section.

(B) In determining net receipts to be allocated pursuant to division (A) of this section, a trustee shall deduct and transfer to principal a reasonable amount for depletion.

(C) This section applies whether or not a decedent or transferor was harvesting timber from the property before it became subject to the trust.

(D) If a trust owns an interest in timberland on January 1, 2003, the trustee may allocate net receipts from the sale of timber and related products as provided in this section or in the manner used by the trustee before that date. If the trust acquires an interest in timberland after January 1, 2003, the trustee shall allocate net receipts from the sale of timber and related products as provided in this



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