



State of Arizona Healthy Forest Enterprise Incentives Program

The primary goal of the Healthy Forest Enterprise Incentives Program is to promote forest health in Arizona. The program achieves this by providing incentives for certified businesses that are primarily engaged in harvesting, initial processing or transporting of qualifying forest products.

Benefits

The program offers the following incentives:

- **Use Fuel Tax Reduction** - The use fuel tax is reduced from 26 cents to 13 cents a gallon for use class motor vehicle
- **Transaction Privilege Tax Exemption (TPT Exemption)** on:
 - Purchased qualifying equipment
 - Leased or rented qualifying equipment
 - Construction contracts
- **Use Tax Exemption** - on qualifying equipment purchased out-of-state
- **Property Tax Reduction** - Both real and personal property can be reclassified from class one (25 percent assessment ratio) to Class six (5 percent assessment ratio) for a period of five years
- **New Job Income Tax Credit** - Arizona income tax credit earned over a three-year period for each net new job created, totaling up to \$3,000 per employee

- [HF Program Summary](#)
- [HF Program Guidelines](#)
- [HF Wage Offer By County](#)

Requirements

Eligible applicants include: a harvester, an initial processor or a transporter that:

1. Is primarily (more than 50 percent) engaged in a qualifying project,
 2. Employs at least 3 full-time employees, and
 3. Enters into a Memorandum of Understanding (MOU) with Commerce.
- [HF Prime Contractor Application](#)
 - [Draft Forester Approval Letter](#)