



IRISH TIMBER GROWERS ASSOCIATION

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10th October 2012

Minister Michael Noonan TD,
Minister for Finance,
Department of Finance,
Government Buildings,
Upper Merrion Street,
Dublin 2.

Dear Minister,

The Irish Timber Growers Association (ITGA) was established in 1977 and is the national representative body of private woodland owners in Ireland. The Association is concerned at the fall off in afforestation levels which will have a detrimental effect on the future supply of wood to our growing indigenous timber industry with consequent negative effects on employment and timber exports.

Current taxation provisions do not recognise the timing of income from commercial woodlands and as a result, the application of the 2006 Finance Act to forestry acts as a disincentive for the achievement of national policy objectives and in particular;

1. Acts as a disincentive to afforestation,
2. Acts as a disincentive to ensuring a consistent roundwood supply to industry with a consequent effect on employment, exports and in meeting our renewable energy targets and;
3. Acts as a disincentive to achieving future climate change mitigation through forestry.

Please find enclosed a submission from the Irish Timber Growers Association outlining our concerns in this regard. In 2010, the total output of the forest and timber sector was calculated to be €2.2 billion. With half of our national forest area in private ownership, the private forestry sector is set to make a significant contribution to the rural economy and employment and our forestry taxation regime must encourage the best use of our forest resource.

The Association would be happy to meet with you or your Department officials to further outline our concerns on this important issue.

Yours sincerely,

Brendan Lacey
Chairman ITGA