

File: 6450-20/FTA

December 9, 2005

**BY EMAIL**

To: Regional Executive Directors

**Re: Cash Sales for Crown Timber**

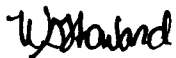
The purpose of this memo is to advise you that cash sales should not normally be used to sell standing timber.

With a cash sale for standing timber, there is no simple or accurate way to ensure the licensee has not harvested excess timber. Therefore, where standing timber is harvested, the timber should be scaled and billed by invoice, in order to reduce possible revenue risk to the Crown. However, for standing timber of less than 50 cubic metres only, where the revenue risk is minimal, a cash sale may be used to dispose of that timber.



Forests Tenure Administration (FTA) permits the user to choose "cash payment" or "bill by invoice" on forestry licences to cut up to 50 cubic metres (file type B07C). If a cash payment method is selected FTA generates a "D" suffixed timber mark. FTA provides a warning to the user if the cash payment method is selected and the sale volume exceeds 50 cubic metres.

If you have any questions please contact Don Mullett, Senior Timber Tenures Forester, Resource Tenures and Engineering Branch, at 250-387-4371, or Jim Crover, Scaling Policy Forester, Revenue Branch, at 250-356-1955.



Bill Howard  
Director  
Revenue Branch



Jim Langridge  
Director  
Resource Tenures and Engineering Branch

pc: Gary Townsend, Executive Director, Operations Division

Don Mullett, Senior Timber Tenures Forester,  
Resource Tenures and Engineering Branch

Jim Crover, Scaling Policy Forester, Revenue Branch