Charitable Tax Incentives Critical for Conservation

Landowners in Your Community Request Your Help to Make An Important Conservation Tool Permanent

Since 2006, an enhanced charitable income tax deduction has allowed family farmers, ranchers, and forest land owners to receive a significant tax benefit for donating a conservation easement on their land. **Unfortunately, it expired at the end of 2014!**

Conservation easements allow private landowners to permanently retire development rights to protect significant natural resources. The enhanced conservation easement tax incentive opened the door to voluntary, landowner-led conservation on millions of acres of important wildlife habitat, farmland, and scenic open space across the country. The incentive also enhances “bargain sales” of easements purchased by local, state and federal conservation agencies. A survey by the Land Trust Alliance showed that this incentive helped America’s 1,700 land trusts increase the pace of conservation by a third – to over a million acres a year.

Representatives Mike Kelly (R-PA) and Mike Thompson (D-CA) introduced the Conservation Easement Incentive Act (H.R. 641) to make the incentive permanent. In February, the House passed it by a bipartisan supermajority of 279-127 as part of a larger charities package, the America Gives More Act (H.R. 644). Senators Dean Heller (R-NV) and Debbie Stabenow (D-MI) have introduced identical legislation, S. 330, with 49 co-sponsors.

Donating development rights to land – often a family’s most valuable asset – requires careful planning and consideration. It often takes years from the initial conversations with a landowner before a conservation easement is executed. Landowners considering a perpetual commitment of their land should not be pressured by an artificial deadline, and many will never begin the process without the reassurance of a permanent incentive.

**How the Enhanced Easement Incentive Works**

The enhanced incentive helps landowners of modest means choose conservation by:

- Raising the maximum deduction a donor can take for donating a conservation easement from 30% of their adjusted gross income (AGI) in any year to 50%;
- Allowing qualified farmers and ranchers to deduct up to 100% of their AGI; and
- Increasing the number of years over which a donor can take deductions from 6 to 16 years.

Without the enhanced easement incentive, an agricultural landowner earning $50,000 a year who donated a conservation easement worth $1 million could take a total of no more than $90,000 in tax deductions! Under the enhanced incentive, that landowner can take as much as $800,000 in tax deductions – still less than the full value of their donation, but a significant increase.

1. A “bargain sale” is the sale of property to a charity or government agency for less than its full fair market value.
Widespread, Bipartisan Support

These bills have broad support on both sides of the aisle, with 52 senators co-sponsoring S. 330 in and 279 representatives having voted for H.R. 641 in February 2015. President Obama and former Ways & Means Chairman Dave Camp have both supported making the incentive permanent in their budget and tax reform proposals.

America’s 1,700 local land trusts and a diverse coalition of more than 60 national conservation, agriculture, and sporting organizations are working together to make the incentive permanent, including:

- American Farm Bureau Federation
- American Farmland Trust
- American Fisheries Society
- American Forest Foundation
- American Hiking Society
- American Sportfishing Association
- Appalachian Mountain Club
- Archery Trade Association
- Assn. of Fish & Wildlife Agencies
- Boone & Crockett Club
- Bull Moose Sportsmen’s Alliance
- California Association of Wine Grape Growers
- Campfire Club of America
- Civil War Trust
- Congressional Sportsmen’s Foundation
- Conservation Force
- Defenders of Wildlife
- Delta Waterfowl Foundation
- Ducks Unlimited
- Equine Land Conservation Resource
- Izaak Walton League of America
- Land Trust Alliance
- Masters of Foxhounds Association
- Mule Deer Foundation
- National Association of Conservation Districts
- National Audubon Society
- National Cattlemen’s Beef Assn.
- National Conference of State Historic Preservation Officers
- National Farmers Union
- National Rifle Association
- National Shooting Sports Foundation
- National Trust for Historic Preservation
- National Wild Turkey Federation
- National Wildlife Federation
- National Woodland Owners Assn.
- Partnership of Rangeland Trusts
- Pheasants Forever & Quail Forever
- Resources First Foundation
- Rocky Mountain Elk Foundation
- Safari Club International
- Scenic America
- The Access Fund
- The Conservation Fund
- The Hardwood Federation
- The Outdoor Alliance
- The Nature Conservancy
- The Trust for Public Land
- The Vital Ground Foundation
- The Wildlife Society
- The Wilderness Society
- Theodore Roosevelt Conservation Partnership
- Trout Unlimited
- Western Landowner Alliance
- Wildlife Forever
- Wildlife Management Institute
- Winegrape Growers of America

How Members of Congress Can Help

- **Senators:** Please co-sponsor the Conservation Easement Incentive Act, S. 330, introduced by Senators Dean Heller (R-NV) and Debbie Stabenow (D-MI). Senators interested in co-sponsoring should contact Jeremy Harrell in Heller’s office (224-6244) or Sarah Shive in Stabenow’s office (224-4822).
  - Current co-sponsors: Please ask your party’s leadership to support the inclusion of the enhanced incentive in the year-end tax deal currently being negotiated.

- **Representatives:** Please ask your party’s leadership to support the inclusion of the enhanced incentive in the year-end tax deal currently being negotiated.

- Arrange a field trip, media event, or landowner forum with a land trust in your district, so you can see their work and meet the landowners they are working with. Find land trusts in your area at: www.findalandtrust.org

- Feature the enhanced easement incentive in your constituent newsletter, a press release or an interview with agricultural press in your district. Take credit if you co-sponsored S. 526 or H.R. 2807 last year. Your local land trust can help!
For more information, please visit: www.landtrustalliance.org/easementincentive or contact Bryan David at 202-800-2223 or bdavid@lta.org.