

## Temporary Conservation Methods

SWT may recommend that a lease or management agreement may achieve a conservation purpose. An example may be to secure a renewable trail agreement when a landowner isn't ready to grant a permanent trail easement.

Landowners sometime believe that deed restrictions or deed covenants ensure conservation of land but only a conservation easement can provide perpetual protection and provide substantial tax benefits.

Real estate classifications that reduce taxes owed on forest and farmland are useful to reduce the expense of owning land but do not offer perpetual protection or tax deductions.

*To further explore these conservation options please contact us. Contact information for our Board of Trustees is available on our webpage, [www.somersetwoodstrustees.org](http://www.somersetwoodstrustees.org) or write us at [somersetwoodstrustees@gmail.com](mailto:somersetwoodstrustees@gmail.com)*

*To expedite discussions please consider emailing SWT with a map or provide the town's assessor's map and lot numbers, deed information, details on how you have used the land over the years, a brief description of the resources on the land and why you are considering a gift or sale for conservation.*



**Conserving Somerset County Since 1927**

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## Conservation Options



**For Landowners in  
Somerset County**



**Conserving Land for Posterity**

Since 1927 Somerset Woods Trustees, a 501(c)(3) private, nonprofit corporation, has been helping willing landowners to permanently conserve their land by accepting conservation easements, gifts of land, and purchasing priority conservation parcels.

## Conservation Easements

- ◆ Private Ownership Retained
- ◆ May Provide Significant Tax Benefits

A conservation easement (CE) is a legal agreement between Somerset Woods Trustees (SWT) and a landowner that permanently limits some uses of the land and protects stated conservation values. Properties protected by easements may reduce property taxes, may reduce estate taxes upon transfer to heirs, and, if gifted or bargain-sold, may qualify for a charitable Federal tax deduction.

Easements often extinguish or significantly reduce the development rights on a property while permitting income producing uses such as sustainable forestry and farming and most recreational activities.

In order to accept an easement SWT ensures that the property qualifies under IRS regulations. CE properties must provide public benefits such as open space, scenic vistas, historic resources, protected animal or flora habitat and/or recreational resources. Granting the public access is not required but may be desirable in certain areas.

Easements are individually drafted to satisfy the needs of the landowner and SWT. Some development may be permitted but often the location of any proposed development must be within an agreed upon building envelope or subdivided from the protected parcel. SWT agrees to annually monitor the land into perpetuity for compliance. Most infractions are easily brought into compliance but legal action may rarely be required.

Easements are usually donated or occasionally purchased by SWT. A modest donation to assist towards SWT's stewardship expenses and legal responsibilities is often required. The value of the easement is typically determined by a professional appraiser. A survey of the easement area is usually required.



Director Eric Lahti  
Inspecting a SWT CE  
Parcel

## Donation of Land or Easements

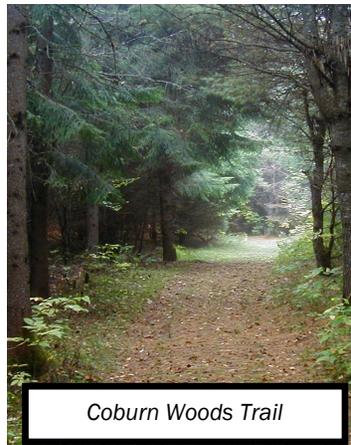
- ◆ A Substantial Income Tax Deduction May Be Possible
- ◆ You may Retain a Life Tenancy For a Gift of Land

Donation of land to SWT provides the opportunity to expand recreational resources, retain community character and natural resources and protect historic viewscapes, forests, and farms.

There are many reasons why landowners may donate land:

- Desire to protect land from future development
- Do not have heirs who wish to protect the land's conservation values
- Own highly appreciated property and wish not to pay a high capital gains tax
- Desire to reduce property and estate tax burdens
- Prefer their land to be used for public recreation but do not want the responsibility for trail maintenance or any potential legal responsibility, and/ or
- Desire a federal income tax deduction

Property valued over \$5,000 must be substantiated by a qualified appraiser to be eligible for a charitable gift deduction on income taxes. SWT and the appraiser must sign IRS Form 8283.



Coburn Woods Trail

### Trade Lands

A charitable deduction may also be taken for donations of land made to SWT which permit SWT to sell the property to use the proceeds to benefit other conservation priorities. SWT may sell the land subject to a conservation easement.

### Other Ways to Gift Land

You may also wish to discuss with your financial adviser the advantages of a charitable remainder unitrust or a gift of land as provided in your will.

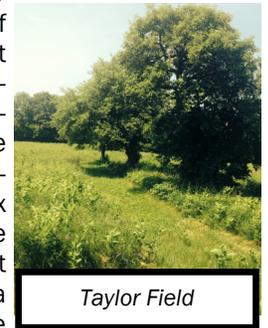
## Bargain Sale of Land

- ◆ Income and Potential Tax Benefits

SWT may be willing to purchase land of exceptionally high conservation value. These properties would include those identified by SWT in its conservation priority plans such as land adjacent to already protected areas, land along rivers, streams, large wetland complexes and ponds, high quality animal habitats, scenic parcels, and prime forests and farms.

### Bargain Sales

As funds for acquisition require fundraising or funding by grants, SWT will normally request that landowners sell their land to SWT at a bargain sale. Sale of land at less than market rate permits SWT to purchase the land at an affordable price while permitting the landowner to deduct the gifted portion as a charitable tax deduction. The difference between appraised market value and the sales price is a tax-deductible charitable donation to the extent permitted by law. Such a sale is particularly beneficial when selling highly appreciated property.



Taylor Field

### Option

SWT may request that a landowner agree to an option to purchase by a certain date and for a certain price. Very few land trusts have sufficient revenues available for immediate acquisition and often require time to raise funds from private and/or public sources.

### Partial Sale

SWT may decide that it does not require all of your land and request a subdivision of your land. A subdivision would also permit SWT to spread out the acquisition of parcels over time. This may also be useful if a landowner would prefer to spread out income and taxable gains.