

FAQs: Issue Overview, The Need for A Permanent Solution

What is a conservation easement?

A conservation easement is a contract between a landowner and a charity to protect important natural and historic resources on private lands. Landowners are eligible for a tax deduction for donating development rights to protect those resources.

What is the enhanced conservation incentive?

First enacted in 2006, an enhanced federal tax deduction has enabled many more modest-income landowners to donate the development rights to lands that protect water, wildlife and our farmland. Roughly one million acres a year are being conserved through this method. These donations, known as easements, are no small gift, as future development rights to the land are being given away. But in return, family farmers, ranchers and other moderate-income landowners get a significant but limited tax benefit for conserving the land in perpetuity while in many instances still being able to live on and use the land.

Has the enhanced conservation incentive helped conservation?

Yes. According to the 2010 National Land Census, 47 million acres are now being conserved by land trusts, an increase of roughly 10 million acres since 2005. To put that into perspective, that's an area twice the size of all national parks in the contiguous United States put together. With the enhanced incentive in place, roughly one million acres per year have been conserved.

What about farmland or other land that is in economic production?

Donations of conservation easements retire development rights to private land while allowing farmers, ranchers and forest owners to keep those lands productive, creating food, fiber, revenue and jobs.

Are working lands being enrolled in large numbers?

Yes, the enhanced incentive was actually designed by Congress to help modest-income farmers and ranchers, since it allows them to retain a large portion of their income. The incentive worked as intended, as Midwest land trusts conserved nearly three times as many acres as they did in the previous two-year period, prior to the incentive's enactment in 2006.

Can land in a conservation easement be sold?

Yes, land protected by conservation easements can be sold or passed on as an inheritance. But the land remains safe from future development.

What do landowners get for enrolling acres into easements?

Landowners receive a meaningful tax benefit for a limited number of years for their very valuable donations. In the long run, it allows them to first create and then pass on a legacy of open lands and clean water ensuring a healthy and secure future for their progeny.

How much do conservation easements cost taxpayers?

Land enrolled as a conservation easement costs just pennies on the dollar compared to the price of conserving land through the national park system. For example, converting an acre of land into a national park would cost \$12,000 per acre, versus \$400 per acre for enrolling it into an easement. Taxpayers further benefit from the fact that land is managed by landowners and private land trusts often staffed by volunteers instead of the government.

Does the federal government manage land trusts easements?

No, the easements are managed by the nation's 1,700 land trusts, which operate in all 50 states and are private organizations that are often staffed by volunteers. Many of these organizations go through an accreditation process to ensure that they can fulfill their duty to oversee the protection of the land put into their care into perpetuity.

What are land trusts?

Land trusts are community-based conservation organizations formed by local citizens that protect land for the benefit of their community. Strong land trusts provide local communities with effective champions and caretakers of their critical land resources.

Do land trust easements benefit the middle class?

Yes, easements make conservation possible for many modest-income landowners, and today, non-millionaires account for 8 in 10 land donations.

Can farmland and ranchland be enrolled in easements?

Yes. Family farmers, ranchers and other moderate-income landowners get a significant but limited tax benefit for conserving their land in perpetuity. The farmland stays on the tax rolls, generating both jobs and products.

Is the enhanced conservation incentive still on the books?

No, it expired at the end of 2013. Estimates are that without the enhanced incentive in place, land trust easements will drop by one-third, or roughly 300,000 acres per year.

Has it expired before?

Yes, and its on-again, off-again nature has made it difficult to attract meaningful land donations, as donating an easement is a lengthy and often expensive process.

What about the move to make the enhanced tax incentive permanent?

If Americans want to increase the pace, quality and permanence of land conservation, then the tax law that provides this incentive should be permanent.

Is there pending legislation to make the enhanced incentive permanent?

Yes, there is broad-based, bipartisan political support in Washington to make the conservation tax incentive permanent in the form of pending legislation before Congress.

What is so important about right now?

Key political players are in place to make this happen, and momentum has continued to build over the course of this year. A bill to make the incentive permanent, H.R. 2807, has nearly enough bipartisan cosponsors to pass on the floor of the House. The Senate version of this bill, S. 526, has strong advocates in the Senate as well. But time is of the essence, and there are very few legislative days left for this Congress, which underscores why this has to happen NOW.

What if the rate of conservation is not increased?

The United States is losing farm, ranch and forest land at an alarming rate, with more than two million acres lost every year, according to the United States Department of Agriculture (USDA). In fact, current rates and patterns of land consumption, if left unchecked, will result in wide-scale loss of the special natural places we need and love within the next 20 years. America needs to increase the pace, quality and permanence of conservation now.

Does making the enhanced incentive permanent have broad support outside of Congress?

Yes. In fact, in addition to the Land Trust Alliance, 65 national organizations – ranging from National Rifle Association, Ducks Unlimited and American Farm Bureau Federation to the Environmental Defense Fund and National Audubon Society – support the legislation.