

LANDOWNER OPTIONS for CONSERVATION

Gifts of Land:

Land donated outright will be held in its natural state for conservation purposes. The appraised value of the land at the time of the gift is deductible against federal income taxes (up to 30% of adjusted gross income each year for 6 years).

Conservation Restriction:

A voluntary agreement that enables the owner to retain privacy and title to the land, while extinguishing some development rights in all or part of the property. The diminished value of the land becomes a deduction against 50% of adjusted gross income each year for up to 16 years.

Reserved Life Estate:

A transfer of title to the land trust now, while allowing lifetime occupancy or use of the property by the donor. Actuarial tables and appraised value of the property determine the deduction value.

Charitable Sale / Bargain Sale:

Landowners who agree to sell their land for conservation for less than appraised value can claim the difference as a charitable deduction for federal income tax purposes. Savings on federal and state capital gains taxes often accrue.

Bequest:

Property can be given to conservation via your will. Estate taxes will be reduced because the land's value is removed from the estate. Conservation restrictions left in a will or chosen by the heirs can also generate a bonus 40% reduction in inheritance taxes on the land.

Mass. State Tax Credit:

Beginning in 2011, landowners with eligible land may qualify for up to \$75,000 in refundable tax credits from Massachusetts, in addition to federal deductions cited above. You do not need to live in Mass. or pay taxes there to qualify.

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