

BY Russ Shay and Sean Robertson



KATHY FRISE/MISSISSIPPI VALLEY CONSERVANCY, INC.

A lot of people were involved in this conservation victory. American Farmland Trust, and particularly Bob Wagner and Cris Coffin from their Massachusetts office, did a tremendous job. The Partnership of Rangeland Trusts, working closely with Lynne Sherrod of the Alliance and with The Nature Conservancy, played a key role, as did the National Cattlemen's Beef Association. The Trust for Public Land was with us every step of the way. Senator Pat Leahy of Vermont, Senator Tom Harkin of Iowa, Senator Saxby Chambliss of Georgia, and Congressman Tim Holden of Pennsylvania—and their staffs—provided real leadership for these two programs when we needed it.

The results: one billion dollars for conservation, which will be doubled by state and local funders, and by landowners donating part of the value of their easements.

#### Is the Tax Incentive Working?

As we have reported before, the Farm Bill also extended the enhanced tax incentive for easement donations through the end of

# A BILLION DOLLAR YEAR

ABOVE: Representative Ron Kind accepts an award from Tim Jacobson, of Mississippi Valley Conservancy, and Mike Carlson, of Gathering Waters Conservancy, at the protected Brady farm.

The Alliance played a major role in getting a large increase in federal funds to purchase permanent conservation easements in the 2008 Farm Bill. The Farmland Protection Program was given \$733 million for five years—just about twice the previous five years' spending. The Grassland Reserve Program, which had completely run out of funds, was renewed and provided with \$300 million.

Congress also made changes to both programs to make them easier for landowners, land trusts, and government farmland protection programs to use. We have worked with the U.S. Department of Agriculture on an emergency rule to implement these changes, and expect it to be published soon.

2009, giving us another two years to use that tool (and to make the incentive permanent). What has that added to the equation?

Our recent survey of our land trust members revealed that they had put conservation easements on 500,000 more acres of land in the two years with the new incentive (2006-2007) than in the prior two years. That's nearly a 35% increase. Not all of it is due to the tax incentive. But given that the incentive didn't exist until midway through 2006, there's every reason to believe that it will become even more effective as more landowners learn about it.

How much of a difference is this making? Well, it may be protecting twice

as many acres per year as the new Farmland Protection Program. Does that mean the Farmland Protection Program is less important? Not at all—we will need all of these tools, and more, if we want to be sure we can protect the best of our farmland, ranchland, natural heritage and historic landscapes for the future.

### Showing Conservation to Legislators

This summer and fall, land trusts across the country hosted events to thank their members of Congress for their help extending the enhanced tax incentive for landowners who donate conservation easements.

In Wisconsin, the Mississippi Valley Conservancy and Gathering Waters Conservancy invited Congressman Ron Kind (D-WI) to tour the 425-acre farm of James and Janice Brady, protected by a conservation easement the Bradys donated in 2006. “I care deeply about continuing to farm my land and preserving the natural beauty of the land,” James Brady told the congressman, “but I simply could not have afforded to donate without the tax benefits provided by this measure.”

The two conservancies gave Representative Kind a plaque recognizing his support for the incentive as a member of the House Ways and Means Committee—the committee with jurisdiction over the incentive. Representative Kind has been a cosponsor of the bill to make the incentive permanent. That award will now be on his office wall to remind him of the Brady farm and of the work Wisconsin land trusts are doing to protect it and other important places.

In August, the Passaic River Coalition honored Congressman Bill Pascrell (D-NJ) with a press conference at the Great Falls of the Passaic River. There may not be an easement in his largely urban district, but the river (and the water that Congressmen Pascrell’s constituents drink) comes from the New Jersey Highlands, where the watershed faces incredible development pressure. “Congressman Pascrell



OFFICE OF CONGRESSMAN BILL PASCRELL

**LEFT: Congressman Bill Pascrell stands with Ella Filippone of the Passaic River Coalition.**

**BELOW: Authors Russ Shay, director of public policy, and Sean Robertson, public policy specialist.**

has always been a strong advocate for our rivers. It’s good to know that when we call in the future, he’ll remember this event and the broader issues we discussed,” said Ella Filippone, executive administrator of the Passaic River Coalition.

Getting your representative out to visit protected land is the single best way to make a lasting impression and secure his or her support for your conservation work! Visit [www.lta.org/policy/lobbying101](http://www.lta.org/policy/lobbying101) for advice on hosting this kind of event.

### End of the Year Tax Reminders!

Many thanks to the Internal Revenue Service staff who joined us at Rally 2008 to answer questions from our audience and to learn more about our work. Now is a good time for end-of-the-year reminders about what the IRS expects from you:

- There is a new, completely redesigned Form 990, and land trusts need to look at it now, so they can be sure they are collecting the information they will need to fill it out in 2009! The Alliance worked closely with the IRS to modify and clarify questions regarding conservation easements on the new form. We believe the new form will be far easier to understand and use than the current form, which many land trust practitioners found confusing and difficult to complete. For more information, visit Rally-Net at [http://learningcenter.lta.org/objects/view.acs?object\\_id=26124](http://learningcenter.lta.org/objects/view.acs?object_id=26124).
- In addition, though many land trusts will not have to file a full Form 990, new IRS rules will require that every



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land trust *will* have to file a tax return in 2009. Visit [www.lta.org/990s](http://www.lta.org/990s) for complete information.

- The IRS believes that no taxpayer is entitled to a tax deduction for any charitable gift worth \$250 or more if they do not have a *contemporaneous written acknowledgment* of that gift from the charity that receives it. That letter must either state that no goods or services were received by the donor in exchange for the gift, or explicitly state what goods or services were given in the case of a bargain sale. In a Texas case, the tax court recently denied any deduction to a taxpayer who clearly made a substantial contribution to a charity, simply because the taxpayer did not have such a letter. In the wake of this decision, every land trust receiving a gift of a conservation easement should provide such a letter to its donor—whether or not the land trust signed a Form 8283 or the text of the conservation easement addresses this issue. Read more at [www.lta.org/about-us/programs/conservation-defense/easement-deductions-denied](http://www.lta.org/about-us/programs/conservation-defense/easement-deductions-denied). 🌿

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