



Conservation Tools

In general, land trusts use two primary tools to assist landowners in conserving their land:

- **conservation easements**, a legal agreement between a landowner and a land trust that limits certain uses of a property; and
- **fee title acquisition**, the out-right donation or sale of property to a land trust for permanent stewardship and protection.

Below are general descriptions of both of these tools. For specific questions and more information, please contact your local land trust staff.

CONSERVATION EASEMENTS

The most traditional tool for conserving private land, a “conservation easement” (also known as a conservation restriction) is a legal agreement between a landowner and a land trust or government agency that permanently limits uses of the land in order to protect its conservation values. It allows landowners to continue to own and use their land, and they can also sell it or pass it on to heirs. When you donate a conservation easement to a land trust, you give up some of the rights associated with the land. For example, you might give up the right to build additional structures, while retaining the right to grow crops. Future owners also will be bound by the easement’s terms. The land trust is responsible for making sure the easement’s terms are followed. This is managed through “stewardship” by the land trust. Conservation easements offer great flexibility. An easement on property containing rare wildlife habitat might prohibit any development, for example, while an easement on a farm might allow continued farming and the addition of agricultural structures. An easement may apply to all or a portion of the property, and need not require public access.

Qualifying For A Tax Deduction

[Download and read a brochure](#) on how to use the expanded tax incentives for conservation easement donations, made permanent in 2015 by Congress.

A landowner sometimes sells a conservation easement to a land trust. However, across the country, most easements are donated, as there are specific and substantial tax deductions available to landowners who donate to a land trust all or part of the value of the conservation easement. If the donation benefits the public by permanently protecting important conservation resources or historically important land or structures, and meets other [federal tax code requirements](#), it may qualify as a tax-deductible charitable donation. Easement values vary greatly, and depend both upon the market value of the property and the value of the uses that are limited by the easement itself. In general, the highest easement values result from very restrictive conservation easements on tracts of developable open space under intense development pressure. In Oregon, however, because of our land use system, such development pressure and corresponding high value of conservation easements are not as common as they are in other states.

In December 2015, Congress made permanent [expanded tax incentives for conservation easement donations](#). The conservation tax incentive:

- Raises the deduction a donor can take for donating a conservation easement from 30 percent of his or her income in any year to 50 percent;
- Allows qualifying farmers and ranchers to deduct up to 100 percent of their income; and

- Extends the carry-forward period for a donor to take tax deductions for a voluntary conservation agreement from 5 to 15 years.

This is a powerful tool for allowing modest-income donors to receive greater credit for donating a very valuable conservation easement on property they own. For land trusts, this translates to the possibility of protecting much more land through the use of conservation easements.

Reducing Estate Taxes

Perhaps the most important benefit, a conservation easement can be essential for passing undeveloped land on to the next generation. By removing the land's development potential, the easement typically lowers the property's market value, which in turn lowers potential estate tax. Whether the easement is donated during life or by will, it can make a critical difference in one's heirs' ability to keep the land intact.

More Information on Easements

More information can be found at the [Land Trust Alliance](#).

FEE TITLE ACQUISITION

In certain cases, a landowner may wish to donate or sell their property to a land trust, so that its unique and special qualities will be conserved forever. Land Trusts are good stewards of the lands they manage, and many here in Oregon own substantial acreage for their conservation values, often working with both the public and partners for restoration and recreational opportunities.

Whether a land trust is either interested or able to acquire land in fee title from willing landowners depends on a number of factors, not least of which is if the property helps the organization achieve its conservation mission, if there is funding available, and if the organization has the capacity for the property's long-term stewardship.