



Tax Incentives for Land Conservation Donations in Georgia

This document is provided for informational purposes only. Donors should consult a tax professional to confirm current incentives, their eligibility, and receive assistance in claiming tax benefits.

1. Federal income tax benefits for the donation of conservation land (fee title or easements)

- Donations of qualified conservation easements are eligible for a federal income tax deduction of up to 50 percent of the donor's adjusted gross income (AGI), up to the appraised value of the donation. The deduction can be used over a 16-year period. Taxpayers who earn the majority of their income from farming or ranching can deduct up to 100 percent of their AGI.
- Fee title donations are eligible for a deduction of up to 30 percent of AGI and can be used over six years.
- To claim the federal deduction, donors must complete IRS Form 8283.

2. State Income tax benefits for the donation of conservation land (fee title or easements)

- *The Conservation Tax Credit Act* was passed by the Georgia General Assembly in 2006. It allows donors of qualifying conservation lands or conservation easements to earn a state income tax credit of up to 25 percent of the appraised value of the conservation easement or fee title donation.
- The amount of the credit is capped at \$250,000 for individuals and \$500,000 for partnerships and corporations. The credit may be used over a maximum of 11 years.
- All donations must be certified by the Georgia Department of Natural Resources and the State Properties Commission to receive the tax credit. Applications can be accessed at <http://glcp.georgia.gov/georgia-conservation-tax-credit>.
- The state income tax credit can be transferred to another Georgia taxpayer.

3. Estate tax benefits

- In a large estate, high tax assessments typically occur and are payable to the federal government within nine months of death. Donating property or a conservation easement on property will likely reduce the value of an estate, and thereby reduce or eliminate estate taxes for heirs.
- A conservation easement may help avoid a forced sale of land to pay estate taxes and keep the property in family ownership and management.

4. Property tax benefits

- The assessed value of a property may be reduced by a conservation easement because it restricts the future use of the property. However, determining assessed value is the discretion of the local tax assessor. By law, donors are entitled to a review of the property's assessed value after donating a conservation easement. Contact your local tax assessor's office for more information.
- The Conservation Use Valuation Assessment (CUVA) and Forestland Protection Act provide property tax reductions without requiring a permanent conservation easement. Since the associated restrictions are temporary (10 or 15 years), enrollees are not eligible for federal or state tax benefits. Additional details are available at <http://dor.georgia.gov/conservation-use-assessment-information>. Donors of conservation easements with qualifying land may enroll in CUVA to lower property taxes. Contact your local tax assessor's office for more information on eligibility and enrollment periods.

For more information, visit: <http://glcp.georgia.gov>