



Conservation easements and land trusts: Tools

By Sandra Frost

Yes. There is a way landowners can preserve the open spaces they own from future development while continuing their Western agricultural lifestyle.

Yes. There is a way landowners can receive compensation, either as cash or a major charitable contribution deduction, for establishing conservation easements.

Yes. Communities can work together to purchase or receive donated easements through non-profit land trusts, charitable organizations, or local, state, or federal government.

Conservation easements are voluntary agreements between a landowner and a land trust or other non-profit or governmental entity that

protect resources on the enrolled portion of land by limiting future development, thus conserving agriculture, wildlife habitat, ecosystems, and open space. They are typically written to be in perpetuity but can be tailored to meet the needs of the landowner. Conservation easements protect land from change by people according to the terms of the landowner who enrolls the property.

Agreements Can Be Custom-Tailored

Conservation easements have many benefits for wildlife, for open spaces, and for special landscapes under development pressure. Each agreement can be custom-tailored to detail specific restrictions or existing uses that will be allowable, such as keeping the property in agriculture.

The enrolled property cannot be developed beyond that described in the easement even when ownership changes. It remains in private ownership, which allows the landowner to live

on it, sell it, or pass it on to heirs. The property continues to contribute to the local tax base, albeit usually at a reduced tax rate.

There are also many benefits to the landowner

Conservation easements are administered by land trusts (non-profit organizations usually governed by a board of directors), other non-profit organizations, or by local, state, or federal government entities. Some land trusts in Wyoming on page 18.

Several government units administer land trusts in Wyoming. Teton County holds conservation easements on a number of properties in the county. The U.S. Department of Agriculture administers the Forest Legacy Program and the Wetland Reserve Program; more information can be found by visiting the Natural Resources Conservation Service field office in your county (contact information at www.wy.nrcs.usda.gov/). The Wyoming Game and Fish Department also accepts and administers conservation easements. The state of Wyoming administers the Wildlife and Natural Resource Trust, which is a major funder of easements around the state.



for preserving agriculture and open spaces

creating the agreement. By donating or selling (for full or partial value) a conservation easement, a landowner exchanges certain development rights for cash, tax benefits, or both, for the purpose of protecting the land. The value of a conservation easement is equal to the difference between the fair market value of the land without the easement in place and the fair market value of the land as restricted by the easement. Benefits to the landowner may include a charitable contribution deduction of the easement's fair market value on federal income tax if the easement meets a prescribed set of criteria. A conservation easement meeting the requirements for deductibility can also provide significant relief from federal estate taxes.

The value of an easement at the date of a landowner's death is removed from an estate. Some percentage of the value of land not covered by the easement may also be removed from the value of the estate.

Can Increase Property Value in Some Cases

Agricultural operations with easements in place provide an opportunity for young farmers to purchase agricultural land at lower costs. It should be noted, however, that, in some cases, a conservation easement can increase the value of a property; for example, in unique areas experiencing rapid development whereupon space, wildlife, and outdoor recreation are at a premium.

Conservation easements typically allow agriculture and other traditional

uses of the land and generally limit or prohibit most commercial and residential development on the portion of the property covered by the easement. The activities prohibited by the easement are only those voluntarily agreed to by the landowner and the organization holding the easement. Land under a conservation easement is usually not open to public access, but the easement contract, to meet IRS requirements, will need to grant the easement-holding organization access to the land to monitor the terms of the easement (typically once a year).

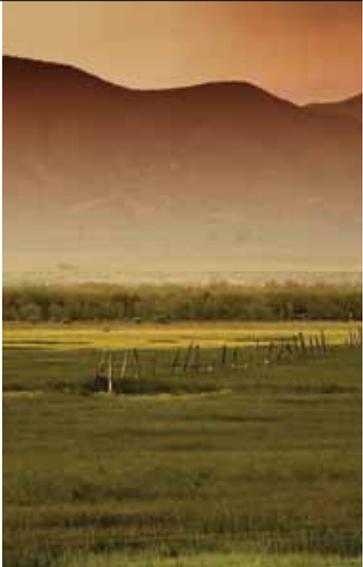
Yes. Land trusts can be established by citizens in Wyoming. Land trusts and other organizations that hold easements are not required to be environmental organizations, and non-landowners who want to

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support the easement concept can contribute to land trust organizations. Trusts typically use donations to fund purchased easements and to support administration of easement costs.

Comparison of land with and without a conservation easement

	Without conservation easement	With conservation easement
Remains eligible for state or federal farm programs	Yes	Yes
Can use land as collateral for loans	Yes	Yes
Can pass the land to heirs	Yes	Yes
Can sell the land	Yes	Yes
Can reserve home lots for children	Yes	Yes
Is subject to local property taxes	Yes	Yes
Can develop residential or commercial subdivisions	Yes	Typically no on enrolled portion of property



For more information, please see *Conservation Easements: Wyoming Update*, B-1177, available online at <http://ces.uwyo.edu/PUBS/B1177.pdf>.

There are several private land trusts in Wyoming: **Green River Valley Land Trust**, Pinedale, established in 2000, is a non-profit organization founded by concerned citizens of Sublette County. The trust, whose focus is primarily southwestern Wyoming, is governed by a volunteer board of directors. Contact the trust at (307) 367-7007 or www.grvlandtrust.org/.

The Jackson Hole Land Trust, Jackson, established in 1980, is a private non-profit organization that works locally or regionally to protect open space from development. Contact the trust at (307) 733-4707 or www.jhlandtrust.org/.

Sheridan Community Land Trust, Sheridan, promotes agricultural landscapes, open space, wildlife habitats, historical structures and sites, and provides opportunities for affordable housing and recreation in Sheridan County. Contact the trust at (307) 673-4702, www.sheridanclt.org.

The Wyoming Stock Growers Agricultural Land Trust (WSGALT), Cheyenne, established in 2000, was created by a vote of the general membership of the Wyoming Stock Growers Association. WSGALT's mission is to preserve agricultural lands and ensure passage of agricultural operations to future generations. Applications are accepted on a statewide basis. Contact the trust at (307) 772-8751 or www.wsgalt.org.

The Nature Conservancy, Lander, operates internationally, with a Wyoming field office, to preserve plants, animal and natural communities, and the lands and waters they need to survive. Contact the conservancy at (307) 332-2971 or www.nature.org/wherewework/northamerica/states/wyoming/.

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