

# PCC Farmland Trust

## Organic Agricultural Conservation Easements FAQs

### How does the agricultural conservation easement process work?

Landowners can sell or donate an agricultural conservation easement to a qualified conservation organization or government body. In either case, it is important to determine the value of the easement to establish a price or to calculate tax benefits that may be available under federal and state law. The value of an agricultural conservation easement is generally the fair market value of the property minus its agricultural value, as determined by a qualified appraiser. In general, more restrictive agreements and intense development pressure result in higher easement values. Finally, when the property changes ownership, it remains subject to the restrictions of the easement.

### What are the benefits of an organic conservation easement?

- Permanently protects farmland at risk of development to ensure that organic food can continue to be grown near major population centers.
- Reduces purchase cost for future buyers.
- Can provide farmers with several tax benefits, including property and estate tax reductions.
- Organic certification ensures that no harmful pesticides, fertilizers, or animal hormones enter waterways or negatively affect wildlife.

### What are the drawbacks?

- Easements permanently restrict the uses permissible for the property, and hence the land's market value. Any development or division not addressed at the time of the easement will not be permitted.
- Monitoring and enforcing conservation easements require a serious commitment on the part of the easement holder
- Landowners are required to provide notice when making significant improvements to their property.

### What is the difference between a donated and purchased easement?

- Donated easements are treated as charitable gifts and landowners can deduct a portion of the easement value from their federal tax fillings.
- Purchased easements generally use government or non-profit land trust money to make up the difference between the appraised market value and the agricultural value.

### What are the easement restrictions on the property?

All conservation easements are tailored specifically to each property. In general, the Trust's easements require the farmland to be 1) enrolled in the Current Use Taxation Program 2) in organic production 3) annual stewardship visits 4) periodic events and educational farm tours

### What are the ongoing land stewardship responsibilities?

PCC Farmland Trust develops a stewardship plan for each property and actively monitors and stewards each farm on an annual basis.

**Definition:** An **organic agricultural conservation easement** is a voluntary legal agreement between the landowner and a conservation agency. The land owner sells only the development rights of the property to the conservation agency. The land continues to be used for agricultural purposes and it still owned by the farmer or the rancher. The conservation easement restricts the use of the farmland in perpetuity.

### PCC Farmland Trust is

a non-profit organization that secures, preserves and stewards threatened farmland in the Northwest, to ensure that generations of local farmers productively farm it using sustainable, organic growing methods.

As the only known organic farmland trust in the nation, the Trust takes its mission one step further by working to place farmers on the property, actively producing food for the local community.



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**PCC FARMLAND TRUST**

Saving local organic farmland forever