



## Conservation Easement FAQ

### **HOW DOES THE CONSERVATION EASEMENT PROCESS WORK?**

The purpose of an agricultural conservation easement is to permanently protect a farm from future development while ensuring it remains available for agricultural production. A conservation easement is a perpetual legal agreement between a landowner and a conservation organization. Landowners can sell or donate a conservation easement to a qualified conservation nonprofit or government body. In either case, it is necessary 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 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. When property eventually changes ownership, it remains subject to the restrictions of the easement.

### **WHAT ARE THE BENEFITS OF AN AGRICULTURAL CONSERVATION EASEMENT?**

- Permanently protects farmland to ensure that the property remains available for agricultural production forever.
- Provides a direct cash incentive for landowners who choose to sell a conservation easement.
- Enables future buyers to purchase the land at its agricultural value.
- May provide farmers with tax benefits, including income and estate tax reductions.

### **WHAT IS THE DIFFERENCE BETWEEN A PURCHASED AND DONATED EASEMENT?**

Purchased easements generally use government or nonprofit land trust money to compensate the landowner for the difference between the appraised market value and the agricultural value. Donated easements are treated as charitable gifts. Landowners can deduct a portion of the easement value from their federal tax filings.

### **WHAT ARE THE TRUST'S ONGOING STEWARDSHIP RESPONSIBILITIES?**

PCC Farmland Trust is responsible for ensuring the conservation values associated with each property are protected forever. To do this, the Trust monitors each farm on an annual basis and works closely with landowners to steward the soil, water and other natural resources on their properties.

For more information, contact [conserve@pccfarmlandtrust.org](mailto:conserve@pccfarmlandtrust.org)

