



# HANOVER CONSERVANCY

*Protecting land & water in our community*

## Steps in Donating a Conservation Easement

1. The landowner and Hanover Conservancy representatives meet to discuss the landowner's wishes, needs and conservation objectives. The Conservancy representative describes the land trust and its policies, and explains how a conservation easement works, appropriateness for the property, and any other conservation options that may be available to the landowner.
2. The landowner consults with family members, legal counsel, and/or tax advisors, and indicates an interest in further exploration of an easement.
3. Conservancy representatives visit the property to evaluate its features and natural resources, and consults again with the owner on the easement terms and the long-term objectives. The Conservancy determines whether protection of the property serves the public interest and, (if donated), which of the various IRS public benefits tests is satisfied.
4. The Conservancy conducts a baseline study to inventory and document the resource values of the property.
5. After consulting with family members, advisors, or others, the landowner reaches a preliminary agreement with the Conservancy on the proposed terms of the easement and property description.
6. The Hanover Conservancy's Board of Directors approves the conservation easement, making a finding as to the public benefit of the easement and how it fits with the Conservancy's strategic plan.
7. The landowner provides chain of title, certification of title or title report to the Conservancy.
8. The landowner contacts the lender, if any, to arrange for subordination of mortgage. (The mortgage must be subordinated for the conservation easement to be effective and - if donated - for a tax deduction to be available.)

9. The landowner determines if certain IRS requirements for an easement to be tax deductible are met.
10. The conservation easement is finalized and signed, and recorded at the Grafton County Registry of Deeds.
11. Like other land trusts, the Conservancy asks conservation easement donors to make a donation to cover the costs of monitoring and enforcing the conservation easement in perpetuity.
12. If the landowner intends to take a qualified tax deduction or claim a credit for the non-cash charitable gift, the landowner is responsible for hiring an independent appraiser to determine the value of the gift.
13. The landowner claims a federal income tax deduction for the donation on a special form with his or her income tax return (Form 8283). There may be local tax savings as well.
14. The Conservancy has the responsibility of monitoring the property once each year to ensure that all of the easement conditions are met.