



YOUR LAND YOUR LEGACY

**Your land has been free from development for generations.
It has provided you with tranquility and beauty.
Your land is your family - your legacy - it is irreplaceable.**

MCF
MONMOUTH
CONSERVATION
FOUNDATION

Planning Today - Greening Tomorrow

Plan for the Future of Your Land

What will happen to my land in the future? Can my family afford to keep it? Will the next owner cherish it as my family did?

You can take action to ensure that your land will never be lost to a strip mall or a McMansion subdivision. Preservation ensures that your land will be cared for and cherished by future generations to love and appreciate it as you do.

The decision to preserve your land requires careful consideration of the special features of your land, your goals, your financial situation, and the needs of your family.

Land Preservation allows people to protect the land they love and provide public benefits, such as water quality, fertile farmland, scenic views, wildlife habitat, outdoor recreation, education, and historic preservation.

"Plans to protect air and water, wilderness and wildlife are in fact plans to protect man." – Stewart Udall

Questions to ask yourself when considering preservation:

- Do you want to continue to own your land or pass it on to a family member?
- Do you want to continue to live on your land?
- Are you interested in donating your land?
- What is it about your land that is important to you?
- Does the entire parcel need to be preserved in order to maintain the property's unique values?
- Do you need the future flexibility to build a home on the land?
- Are you concerned about future estate taxes or present income taxes?
- Do you need to receive financial compensation to accomplish your goals?
- How much of your land's value is due to appreciation during your ownership?

Conservation Easements

A legal agreement that permanently limits uses of the land in order to protect specific conservation values and prohibit certain activities that would harm those values. Conservation easements offer private landowners flexibility in protecting their land.

As a landowner, you own a bundle of rights associated with your land. This bundle includes the right to own, subdivide, develop, grow crops, harvest timber, use and enjoy, exclude others, lease, transfer ownership, etc. When you place a conservation easement on your land, you permanently give up some of those rights – in most cases the right to subdivide and develop – while retaining the remainder. Each easement is unique, and the terms are negotiated to ensure the conservation easement meets your goals for your land and protects its unique qualities. The land can be sold or passed on to heirs, and all future owners of the property are bound by the terms of the easement.

Most conservation easements are donated, which can provide significant tax benefits. Restricting your land's development potential lowers its market value. This reduction can significantly reduce income, estate, and inheritance taxes, which can make a critical difference in an heir's ability to inherit the land intact. The value of the donated easement can qualify as a charitable deduction on the donor's federal income tax return.

If your land has very significant conservation values, there may be funds available to purchase an easement. If an easement is sold, your profit is taxed by the IRS.

"A true conservationist is a man who knows that the world is not given by his fathers but borrowed from his children."

– John James Audubon

Land Donation

Donating land for conservation is one of the finest legacies you can leave for future generations. This option may be attractive to landowners who:

- Own land with significant conservation values and who do not have heirs who will protect those values
- Own property that they no longer use
- Own highly appreciated property and the sale of which would result in high capital gains taxes
- Have substantial real estate holdings and wish to reduce estate tax burdens
- No longer want to be responsible for managing land they own, but still want to treasure and enjoy it

A donation of your land provides several benefits. It releases you from the responsibility of managing the land while providing a substantial income tax deduction and estate tax benefits. It will also be permanently conserved.

Donating Land or Easements by Will

Some landowners prefer to continue to own and control their land during their lifetime, but still wish to see their land preserved and cared for after their passing. This can be accomplished by leaving your land or an easement to a land trust in your will. Removing the land from your estate reduces estate and inheritance taxes.

Life Estate

If you wish to continue to live on your land, you can donate or sell your property and reserve the right to continue to live on the property through your lifetime. With a life estate you can continue to enjoy your land while gaining assurance that your land will be preserved forever.

"If people were superior to animals, they'd take better care of the world." – Winnie The Pooh

Selling Land at Fair Market Value

Selling your land for preservation may seem like an obvious way to preserve it. Unfortunately, land trusts such as Monmouth Conservation Foundation have limited funds available for land purchases and when able to purchase at fair market value, it is for land with significant conservation values.

Bargain Sale

An alternative to fair market value sale is a bargain sale where the land is sold at less than fair market value. A bargain sale gives the landowner the benefit of income while still offering the tax-reducing benefit of a donation. The difference between the land's appraised value and its sale price is the donation amount that can be claimed as a tax deduction.

Installment Purchase

With an installment purchase, the landowner agrees to accept a series of payments over time as opposed to one lump sum payment. This gives both the landowner and the land trust the advantage of spreading the income out over a number of years.

Option to Purchase

If a landowner is interested in selling their land, and the land trust does not have the funds to purchase it immediately, an option agreement can be used. This agreement would give the land trust a specified amount of time to exercise the option to purchase the land. During this period, the land cannot be sold to any other buyer.

Right of First Refusal

If a landowner is not ready to sell their land, a right of first refusal can be granted to a land trust. When the landowner decides to sell their land, the owner must offer the land to for sale to the land trust before selling to a third party.

"Here is your country. Cherish these natural wonders, cherish the natural resources, cherish the history and romance as sacred heritage, for your children and your children's children." – Theodore Roosevelt

For more information ,contact the Monmouth Conservation Foundation
info@monmouthconservation.org
www.monmouthconservation.org
732.671.7000