

H.R. 4297 Fact Sheet

Adjusted Deduction for Conservation Easement Donations Will Help Farmers and Ranchers

Section 207 of the tax reconciliation bill (HR 4297) would help family farmers, ranchers, and other moderate-income landowners get a significant tax benefit for making the extraordinarily valuable donation of a conservation easement, restricting future development of their land to protect a resource important to the public. Most such donations are made to local, community-based charities dedicated to keeping land in agriculture, conserving important wildlife habitats, and protecting important open space and historic resources. This proposal would:

- Raise the maximum deduction a donor can take for donating a conservation easement from 30% of their adjusted gross income (AGI) in any year to 50%;
- Allow qualified farmers and ranchers to deduct up to 100% of their AGI; and
- Increase the number of years over which a donor can take deductions from 6 years to 16 years.

Conservation Incentive Combined with Solid Tax Reforms

Section 220 of the bill set higher standards for appraisers and appraisals of all donated property, and set higher penalties for abusive appraisals. Conservationists support this to ensure the integrity of the charitable donation process. Also, Section 214 tightens restrictions on donations of easements to protect historic buildings.

Widespread Support

A variety of sportsmen's and conservation organizations support this proposal, including:

American Bird Conservancy
American Farmland Trust
American Fisheries Society
American Sportfishing Association
Archery Trade Association
ArrowSport
BASS/ESPN Outdoors
Bear Trust International
Berkley Conservation Institute
Bowhunting Preservation Alliance
Campfire Club of America
Civil War Preservation Trust
Dallas Safari Club
Ducks Unlimited
Houston Safari Club
International Association of Fish and
Wildlife Agencies
Izaak Walton League of America
Land Trust Alliance
National Audubon Society

National Shooting Sports Foundation
North American Grouse Partnership
Pheasants Forever
Piedmont Environmental Council
Quail Unlimited
Quality Deer Management
Association
Rocky Mountain Elk Foundation
Safari Club International
Scenic America
Texas Wildlife Association
The Conservation Fund
The Nature Conservancy
The Wildlife Society
Theodore Roosevelt Conservation
Partnership
Trout Unlimited
Trust for Public Land
Whitetails Unlimited
Wildlife Management Institute

Revenue Impact

Section 207, effective for only two years, was scored by JCT at -\$69 million over five years and the same over ten years. The bill contains a variety of revenue offsets related to charities, including:

	5 years	10 years
Limitations on historic preservation easements (Sec. 214)	\$25 million	\$67 million
Provisions relating to overstatements of charitable deduction property (Sec. 220)	\$5 million	\$14 million
Other charity-related reforms	\$498 million	\$1,327 million

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