



Estate Planning for Private Landowners

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The fact sheet is designed to educate the reader and is not to be considered legal advice. Before making any plans or arrangements or taking other steps regarding your assets, it is imperative that you contact competent professional help to advise you on your own special circumstances.

Substantiation of Value of Donated Conservation Restrictions for Federal Tax Purposes

If you are planning on donating a conservation restriction to a government agency or a charitable non-profit conservation organization, and wish to take a federal income tax deduction for the gift, please be aware of the following information when making your plans:

- A taxpayer claiming a restriction valued in excess of \$5000 as a charitable gift must have a "qualified appraisal" that supports the claimed value.
- The taxpayer must file IRS Form 8283 with his/her tax return.
- Form 8283 requires an acknowledgement by the donee organization.
- A "qualified appraisal" must include, among other things, a description of the property, the method of valuation used to determine the fair market value of the property, information about the appraiser, and a description of the fee arrangement between the donor and the appraiser.
- A "qualified appraisal" must be performed by a "qualified appraiser"
- The appraisal cannot be completed more than sixty (60) days prior to the date of the donation and must be completed no later than the due date (including extensions) for the federal tax return for the year in which the donation was made. Reg. §1.170A-13(c)(3)(I)(A), Internal Revenue Code.
- Failure to comply with the requirements will result in the deduction not being allowed.