

Maryland Environmental Trust
100 Community Place, 1st Floor
Crownsville, Maryland 21032



Conserve Your Land with the Maryland Environmental Trust



www.dnr.state.md.us/met



“MET was a natural partner for us because they shared our vision for the farm. We found the staff to be professional, highly competent, and diligent in crafting an easement that met our needs and will ensure the future viability of our property as a horse farm.”

Suzanne and Steven Quarles

The Quarles donated an easement to MET on their 247-acre property in Frederick County. The easement permanently protects 7,000 feet of streams, 5,000 feet of scenic road frontage, and habitat for forest interior dwelling birds.

What is the Maryland Environmental Trust?

The Maryland Environmental Trust (MET) was established by statute in 1967 and was created “to conserve, improve, stimulate, and perpetuate the aesthetic, natural, health and welfare, scenic, and cultural qualities of the environment, including, but not limited to land, water, air, wildlife, scenic qualities, and open spaces.” Today, MET is a State-wide leader in land conservation.

Affiliated with the Department of Natural Resources, MET is governed by an independent citizen Board of Trustees. MET is qualified by the IRS as a charitable organization and can accept donated conservation easements and other gifts. This unique arrangement allows MET the resources and flexibility necessary to be a highly

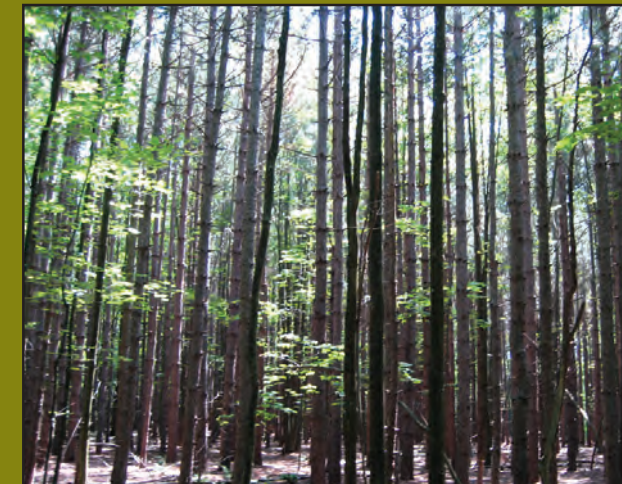
successful and trusted land conservation partner. Its programs now include Land Conservation, Stewardship, Land Trust Assistance, and the Keep Maryland Beautiful Grants Program.

MET has helped to create more than 50 vibrant local land trusts that work to protect the natural resources, culture, and history of their respective corners of the State. MET now partners with those land trusts on nearly three-quarters of all its easement projects. Additionally, through its trainings, conferences, and grant making, MET helps to build the capacity of those organizations.

“We are thrilled that our property, which has been in the family for over 50 years, is now permanently protected from development. All the things we love about the land, including the birds, the big trees, and the rare plants, will be there for generations to come. It gives us great pride to have been able to make such an important and lasting decision.”

Kathryn Weise and Carol Bartram

Sisters Kathy and Carol donated an easement to MET and the Allegheny Highlands Conservancy on their 125-acre family property in the Deep Creek Lake Region of Garrett County. The easement directs the forest to be managed for natural heritage protection and enhancement of native species diversity.





A proven record of success

During its first four decades of operation, MET permanently protected more than 127,000 acres on over 1,000 properties State-wide. Since its first easement in 1972, MET has become a leader in land conservation and has helped hundreds of families to preserve their family history, agricultural operations, and natural resources. MET has long been recognized as a national leader in land conservation and can be considered one of the largest land trusts in the nation in terms of number of transactions completed. MET was the first to establish a donated conservation easement program in Maryland and has, since then, become the expert on easement drafting, negotiating complex transactions, and working with various local, state, and federal conservation programs.

Why conserve your property?

As Marylanders, we all know how lucky we are to call this state home. From the forested mountain tops of Garrett County to the shores of the Chesapeake Bay, Maryland boasts an ecological diversity and scenic beauty rivaled by few states in the nation. By protecting your land with a conservation easement, you are committing to improving quality of life, conserving scenic vistas and wildlife habitat, ensuring the future viability of farming and forestry, and preserving the rural character and natural beauty of communities all across Maryland. You can accomplish all of this

without giving up ownership of the land you love. You can continue to live on the property, farm the property, and sell it or pass it on to whomever you wish. You are also eligible for significant tax benefits that can help keep the land in your family and help you save on income and property and estate taxes.

What is a conservation easement?

A conservation easement is a legal agreement between a landowner and a government entity or land trust that permanently limits the uses of the land in order to protect its conservation values. An easement allows landowners to continue to own, use, and manage their property, and sell it or pass it on to their heirs.

Donating a conservation easement does require that you give up some of the rights associated with your property, such as the right to build additional residences and the right to subdivide. You can continue activities such as farming, forestry, wildlife enhancement, and equestrian activities. Future owners of the property will be bound by the terms of the easement, which are permanent. Public access will never be required.

Conservation easements offer great flexibility and, through detailed discussions between you and MET, are tailored to fit your vision and goals for the property.



“By donating a conservation easement to MET and taking advantage of the enhanced tax benefit for qualified farmers and ranchers, we were able to pay our farm taxes; re-pay our loan; and continue to operate the farm. The new federal conservation tax incentive, with its 15 year carry-forward, was the answer to our financial prayers. Donating a conservation easement negated the necessity of refinancing our current Farm Credit loan in order to pay income taxes.”

Bill Darling, Sr.

Darling and his son donated an easement on their 50-acre property in Queen Anne’s County to MET and the Eastern Shore Land Conservancy. The farm, which is currently home to a poultry operation, is located in the Unicorn Branch watershed, a tributary of the Chester River, and harbors habitat for forest interior dwelling birds.

What are the benefits of a conservation easement?

In addition to permanently protecting the natural resource values of the land, a donated conservation easement makes you eligible for a suite of tax benefits:

Federal Income Tax Deduction: Federal law provides for a deduction of *50% of adjusted gross income in the year of the donation and for 15 years forward, or until the value of the donation is reached. For an IRS “qualified farmer or rancher,” this maximum increases to 100% of adjusted gross income.

State Income Tax Credit: State law provides a tax credit of up to \$5,000 per year, for each individual landowner, against State income taxes. A further \$5,000 credit may be taken for each of the following 15 years, for a maximum total of \$80,000 in credit, not to exceed the value of the donation.

Federal Estate Tax Benefit: For estate-tax purposes, land is generally valued at its maximum development potential, often generating very high estate taxes. An easement limits the amount of development that can occur, thus lowering the appraised value of the land. This makes easements effective tools for reducing estate taxes. In addition, there is an estate tax exclusion of 40% of the land value up to \$500,000 per owner, for certain land that is subject to a donated conservation easement.

Property Tax Credit: A landowner will pay no County or State property tax on unimproved land that is subject to an easement donated to MET for 15 years from the date of donation. At the end of the 15-year period, unimproved land under easement will be assessed at the highest agricultural rate. However, the tax credit and assessment rate will not apply to any residential improvements, or to a minimum of one acre around these improvements.

Tax advantages of easement donations will vary with individual financial situations. Consult a tax advisor or your attorney for advice on how a conservation easement would affect your taxes and estate.

* This enhanced federal tax incentive applies to conservation easement donations through December 31, 2011

Stewardship of the Land

Monitoring: A conservation easement on your land permanently protects its scenic, natural and cultural resources forever. As the easement holder, MET has the long term obligation to steward the property together with the landowner to ensure that the protected conservation values on the property remain intact. MET staff or trained volunteers conduct annual monitoring visits (with advanced notice) of all easement properties to assess the property conditions and check for compliance with the terms of the conservation easement.

Stewardship: Stewardship involves a larger set of issues which can include addressing landowner questions or concerns, or requests for MET to approve various proposed structures or activities on the property. MET has long held that landowner relations is one of the most important functions it serves, and stewardship of its easement properties is a role it takes very seriously. Critical to this role is open and honest communication between MET staff and landowners.

Stewardship Fund: The responsibility of monitoring and stewardship of easement properties demands a substantial commitment of time and resources. The Stewardship Fund was established by MET’s Board of Trustees to ensure that MET is able to meet its responsibilities and donor expectations as well as to keep the public’s trust in MET. MET regularly requests contributions from conservation easement donors, landowners, conservation organizations, and the general public who share an interest in supporting MET’s conservation work. A landowner’s decision to contribute to the Stewardship Fund has no influence on MET’s decision regarding acceptance of a conservation easement.

Take the next step to conserve your land

**Visit www.dnr.state.md.us/met
for more information or call**

410.514.7900 or 1.877.514.7900