Groundswell Conservancy Policy

Name: Disclosures to Donors and Sellers of Land

Approval: Approved by Executive Committee December 14, 2006
Addendum based on Conflict of Interest: Donors policy approved by Executive Committee June 14, 2007
Amended by Executive Committee December 8, 2016
Amended by Executive Committee January 10, 2018
Amended by Executive Committee June 27, 2018

Groundswell Conservancy makes the following disclosures to donors or sellers of land or interest in land for conservation purposes:

- Groundswell Conservancy urges the donor to obtain independent legal and tax advice. Groundswell Conservancy requires that mortgages, liens or other encumbrances that could result in extinguishment of the conservation easement or compromise Groundswell Conservancy’s ability to protect the important conservation values of the property be satisfied or subordinated prior to acquisition of Groundswell Conservancy’s interest in the property.

- Groundswell Conservancy does not guarantee the tax deductibility of a donation; to be eligible, the donation must meet the requirements of IRC.

- Should the donor seek a tax deduction, the donor is responsible for obtaining a “qualified appraisal” of the value of the donation pursuant to Treas. Reg. Sec. 170A-13(c).

- Should the donor decide to file IRS form 8283 (Noncash Charitable Contributions), Groundswell Conservancy will complete the form only if provided with a copy of
the donor’s “qualified appraisal”) and if Groundswell Conservancy determines that
the donation has been accurately described. ¹

- Groundswell Conservancy will disclose to the donor/seller if Groundswell
  Conservancy plans to transfer the property or interest in property to another entity
  for conservation purposes.

- A conservation easement will likely reduce the fair market value of the land it covers.

- A donation of partial or full value of land or interest in land may be deductible only
to the extent that its value exceeds the value of the benefits received
(“enhancement”).

- During negotiations, Groundswell Conservancy may share information about the
  proposed transaction with government agencies to build support for the project.

- A purpose of every transaction is to achieve an outcome that is mutually acceptable
to the donor/seller and Groundswell Conservancy. Groundswell Conservancy will
not complete an acquisition of property or interest in property without the consent
of the landowner.

- When the landowner’s donation results in the opportunity to match grant funding
for another land protection project, Groundswell Conservancy may use the donation
in this way.

- Groundswell Conservancy may withdraw from a real estate transaction if it has
substantial concerns about the appraised value or other terms of the transaction.

- Should Groundswell Conservancy acquire the property interest, it will post the
location of the property interest on a map published on its website. The map
information will note if the property interest is not open to the public.

Groundswell Conservancy makes the following disclosures to donors of nonconservation
real property assets (such as “tradeland” that does not have sufficient conservation value for
Groundswell Conservancy to protect):

- Groundswell Conservancy may sell nonconservation assets and use the proceeds to
further its mission.

- Groundswell Conservancy encourages the donor to obtain independent legal and tax
advice. Groundswell Conservancy does not guarantee the tax deductibility of a
donation.

¹ Per LTA Standard and Practice 10C3 Avoiding Fraudulent or Abusive Transactions, Groundswell Conservancy may discuss
substantial concerns about the appraisal with legal counsel and take appropriate action (e.g., seeking additional substantiation of value
or refusing to sign the Form 8283).
• Should the donor seek a tax deduction, the donor is responsible for obtaining a “qualified appraisal” of the value of the donation pursuant to Treas. Reg. Sec. 170A-13(c).

• Should the donor decide to file IRS form 8283 (Noncash Charitable Contributions), Groundswell Conservancy will complete the form only if provided with a copy of the donor’s “qualified appraisal” (if applicable) and if Groundswell Conservancy determines that the donation has been accurately described. ²

• A purpose of every transaction is to achieve an outcome that is mutually acceptable to the donor and Groundswell Conservancy.

• Groundswell Conservancy may withdraw from a real estate transaction if it has substantial concerns about the appraised value or other terms of the transaction.

These disclosures are made in writing and a copy is maintained in Groundswell Conservancy project files.

Groundswell Conservancy is accredited by the Land Trust Accreditation Commission. Policies may be updated to reflect changing accreditation standards and practices, as well as changing local organizational needs.

² Per LTA Standard and Practice 10C3 Avoiding Fraudulent or Abusive Transactions, Groundswell Conservancy may discuss substantial concerns about the appraisal with legal counsel and take appropriate action (e.g., seeking additional substantiation of value or refusing to sign the Form 8283).