Groundswell Conservancy Policy

Name: Payments Required or Requested

Approval: Approved by Executive Committee April 11, 2013

This supersedes the decision of the Board of Directors taken November 16, 2011 under the agenda item “Revision to Easement Enforcement Fund Policy”

If Groundswell Conservancy requires a payment as a condition of completing a conservation transaction, then Groundswell Conservancy does not consider it to be a charitable contribution and informs the payee of that fact when discussing the payment. The receipt for such payment does not acknowledge it as a charitable contribution.

Easement Endowments: Per Groundswell Conservancy’s Easement Endowment Policy, Groundswell Conservancy will not accept a conservation easement without an easement endowment. Therefore, if the easement endowment payment comes from the landowner, it is considered a required payment and Groundswell Conservancy does not consider it to be a charitable contribution. If the payment comes from a party or parties that do not stand to benefit materially from the acceptance of the conservation easement by Groundswell Conservancy, then Groundswell Conservancy considers it to be a charitable contribution. (For easements that are purchased, and upon advice from the landowner’s financial advisers, the landowner who pays for the easement endowment may be able to deduct the easement endowment payment from the purchase price at the time of the sale of the conservation easement.)

Other transaction costs: As a matter of policy, Groundswell Conservancy does not require a commitment from an outside party to pay for transaction costs (such as surveys, appraisals done for grant purposes, environmental hazards assessment, materials, staff time, etc.) in order to complete a conservation project. Therefore, if Groundswell Conservancy requests financial assistance from the landowner to pay for some or all of the transaction costs associated with protecting the landowner’s property, but does not require the payment as a condition of completing the conservation project, then Groundswell Conservancy considers it to be requested assistance which may qualify as a charitable contribution and Groundswell Conservancy so informs the landowner.

Implementation note: If Groundswell Conservancy or one of its partners pays for transaction items that mainly benefit the property landowner as the donor or bargain seller of the property interest, in its contemporaneous acknowledgement letter to the donor/bargain seller, Groundswell Conservancy lists those transaction costs as a “goods or service” provided to the donor/bargain seller. An example of a transaction cost that mainly benefits the donor/bargain seller is a survey undertaken to divide land that the property owner intends to keep from land that the property owner intends to donate or sell at a bargain. Because the survey is required to separate the non-conservation land from the conservation land available for sale or donation, if Groundswell Conservancy paid for it, it would be considered a “good or service” provided in exchange for the donation or bargain.
sale. Conversely, because Groundswell Conservancy purchases title insurance or undertakes an environmental hazards assessment to protect its future interest in the property, those expenses are not considered “goods or services” and are not reported to the donor/bargain seller in the contemporaneous acknowledge letter.

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.