

# OLD DOMINION LAND CONSERVANCY, INC.

## DISCLOSURE & CONSENT FORM

### Disclosure

Donation of a conservation easement is an act of land protection that will permanently affect how your land will be restricted in the future. It is irrevocable. Your choice to donate an easement is completely voluntary, and you may change your mind at any time until the deed is signed and delivered to Old Dominion Land Conservancy, Inc. ("ODLC") for recording. All restrictions that you agree to on the use of your easement property will be contained in the deed of easement. After the deed of easement is signed and recorded, these restrictions become permanently binding on you and all subsequent owners of the easement property. The easement and other information related to the donation that you provide to ODLC will become public record.

If there is a mortgage on the property to be placed under easement, the mortgage holder must subordinate the mortgage to the easement so that the easement will continue to protect the property after sale in the event of a foreclosure. In addition, subordination by the holder is necessary for the easement to be tax deductible under federal tax law. You or your attorney should contact the mortgage holder as soon before the easement is complete, as the subordination process takes time.

ODLC does not require an appraisal and will not be involved in the appraisal process. However, if you intend to take a federal tax deduction or to claim a state tax credit for a non-cash charitable gift, you will need to engage an independent appraiser to determine the value of the gift. Virginia requires the use of a *Certified General Appraiser* if you wish to apply for land preservation tax credits.

To claim a state tax credit, you must submit a form to the Virginia Department of Taxation describing the easement, the conservation purpose(s) being served by the donation, the appraised value of the property being donated, the public benefit being derived from the donation, the extent to which water quality best management practices will be implemented on the property, whether the property is fully or partially forested, and, if so, whether a forest management plan is included in the terms of the donation. In addition, if you think that the appraised value of the easement may equal or exceed \$2.5 million and you intend to claim a state tax credit for the gift, then you and your attorney should make certain that the terms of the easement meet or exceed the conservation value review criteria adopted by the Virginia Land Conservation Foundation.

You may transfer tax credits for use by another taxpayer on their Virginia income tax returns. Be aware that if you decide to transfer your state tax credits to another taxpayer, the Virginia Department of Taxation will charge a fee on the transfer.

**Old Dominion Land Conservancy does not provide legal or tax advice.** You should consult with your personal advisors on estate planning, real estate, and tax matters.

