

BERKSHIRE NATURAL RESOURCES COUNCIL

OPTIONS FOR PRESERVING YOUR LAND



Thank you for your inquiry regarding conservation options and the work of the Berkshire Natural Resources Council. We hope this brochure will be a helpful introduction to how you can preserve your land in perpetuity.



LAND CONSERVATION AND BNRC

Berkshire Natural Resources Council (BNRC) is committed to helping you understand your options and the steps you can take to achieve your conservation goals. Over the years, we have worked with many families of all income levels, helping them plan, negotiate, and execute their wishes successfully. At your request, our professional staff will evaluate the ecological, scenic, and open space values of your land, and explain any conservation and tax programs that may apply.

WHO WE ARE

BNRC, a nonprofit, charitable organization, formed in 1967 to help families and individuals protect and conserve lands throughout Berkshire County. Since then, BNRC has negotiated more than 300 conservation projects. We maintain reserves and trails throughout Berkshire County that are free and open to the public. BNRC is proud to have helped the families pictured on these pages, and many others, protect their lands in perpetuity.

Our professional staff—sometimes in partnership with a local land trust or state conservation agency—takes on the many tasks needed to complete a conservation transaction, working with a network of attorneys, surveyors, real estate appraisers, and other professionals to get the job done right.

THE HIGH ROAD AND TRAIL EASEMENTS

BNRC is working on a county-wide effort, The High Road, to connect conservation land for people and wildlife. In some cases, this may be achieved through one of the conservation programs outlined below; in others, it may involve a trail easement. If you have a historic trail or old wood road crossing your property and think it may be an important connection, please call us to learn more.



A trail easement gives BNRC a permanent right to mark and maintain the trail for non-motorized access only; the easement allows the public to pass and repass by foot, but does not give a general right of access to your land. BNRC works with landowners to ensure these routes remain open and can assist with the burden of liability and maintenance while you continue to own the land.

CONSERVING FAMILY LANDS

Five of the most common conservation programs that landowners use are:

- Conservation Restriction
- Donating or Selling Land
- Bargain Sale
- Bequest
- Life Estate

These options are explained on the following pages.



Dennis Mareb of Windy Hill Nursery (left, with BNRC President Jenny Hansell) and Alma Boynton of Richmond (right, with BNRC Director of Land Conservation Narain Schroeder and John Mason of the Richmond Land Trust) both decided to preserve their land so that future generations could enjoy the beauty and serenity of the Berkshires.

TOP PANORAMAS: Jackson Pond in Stockbridge (left) and Alford Springs in Alford (right) are protected as open space and wildlife habitat in perpetuity because of the vision and generosity of their former owners.

COVER: Photo by Robert Watroba



Lands like Hollow Fields in Richmond will remain untouched so that our children and grandchildren can climb hills, spot birds and bears, and play in clear streams.

Conservation Restriction

A conservation restriction (CR) is a legal agreement that allows families to place permanent restrictions on land with significant natural, scenic, or open space value, without surrendering ownership and control.

A CR is a binding agreement between the landowner and a conservation or nonprofit agency like BNRC. Once your land is subject to a CR, you can sell or bequeath the property, but the conservation restriction remains in effect forever, and will be monitored and enforced by BNRC.

Your gift of the CR permanently “extinguishes” some or all of the development rights on the property. CRs are uniquely tailored to your needs and desires and may permit a variety of “reserved rights,” such as agriculture, timber harvesting, or even limited development. The conservation organization—BNRC—agrees to monitor and enforce the terms of the CR, and you (the donor) agree to abide by the restrictions. All future owners are obligated to do the same.

A gift or bargain sale of a CR qualifies as a charitable donation and may yield state tax credits, federal income tax deductions, and estate tax benefits. If BNRC purchases a CR from a landowner at a bargain sale (see below), we generally expect some public access to be granted to that land.

Donating or Selling Land

Land can be permanently protected by donating it or selling it to a qualified conservation organization, such as a land trust, a state conservation agency, or a town through its conservation commission.

By donating property in fee to a land trust such as BNRC, you may be eligible for substantial income tax benefits. The land trust takes on management responsibilities for the property—often making it accessible

to the public—and ensures that the land remains protected. Locally, properties like Olivia's Overlook, Hoosac Range, Hollow Fields, and others are examples of lands owned and managed by BNRC.

Occasionally, families donate “trade land”—land with little conservation value—with the understanding that BNRC may sell the property and reinvest the proceeds in another conservation project. BNRC often helps families sell land or restrictions to a state conservation agency such as MassWildlife or the Department of Conservation and Recreation. In some cases, BNRC may step in to “pre-acquire” the land, securing its protection and providing an immediate payment to the family when state funding is months or years away.

Bargain Sale

You may choose to sell your land or CR for a price lower than its fair market value.

The difference between the appraised market value and the sale price to a qualified conservation organization such as BNRC is considered a tax-deductible charitable contribution, providing some cash from the sale along with possible tax benefits.

Bequest

A donation of land or a CR through your will is another way to ensure your land's permanent protection and potentially reduce your estate tax burden.

You can change your will at any time, and a bequest does not become effective until your death. This is a good approach if you need to keep the financial value of your property in reserve, in case of unexpected bills or needs, but want to ensure that the land will be conserved if you do not sell it during your lifetime.

Life Estate

You may wish to negotiate a gift or sale of the property while reserving the right to occupy and use the land for life.

In these cases, control of the property automatically transfers to the conservation organization upon the death of the landowner. The gift of a property with a reserved life estate can qualify the donor for a charitable deduction based on the value of the property donated and the value of the reserved life estate, which are based on the donor's age. Landowners are responsible for upkeep and all management costs during their lifetime.

OPTIONS FOR KEEPING SOME OR ALL OF YOUR LAND IN ITS NATURAL STATE

Option/Features	Description	Tax Implications
<p>CONSERVATION RESTRICTION</p> <ul style="list-style-type: none"> ● Permanent ● Maintains your ownership 	<p>A voluntary agreement that extinguishes certain uses—typically development, subdivision, and mining—while allowing others, such as forestry and farming.</p>	<p>If donated, provides charitable deductions on income taxes and can lower the overall taxable value of your estate. The value of the donation may also qualify for the MA Conservation Land Tax Credit. If sold, you may incur capital gains taxes.</p>
<p>DONATING OR SELLING LAND</p> <ul style="list-style-type: none"> ● Permanent ● Transfers ownership 	<p>Donating or selling your land to a land trust, a conservation agency, or your community.</p>	<p>Provides a charitable deduction for income taxes and lowers the taxable value of your estate. The value of a donation may also qualify for the MA Conservation Land Tax Credit.</p>
<p>BARGAIN SALE</p> <ul style="list-style-type: none"> ● Permanent ● Transfers ownership 	<p>The sale of your land or conservation restriction for a price lower than its fair market value.</p>	<p>Income from the sale is taxable, but the difference between the appraised market value and the sale price is a charitable deduction if sold to a land trust or government agency. The value of the donation may also qualify for the MA Conservation Land Tax Credit.</p>
<p>BEQUEST</p> <ul style="list-style-type: none"> ● Permanent ● Maintains your ownership 	<p>Donating your land or a conservation restriction through your will.</p>	<p>Lowers the taxable value of your estate.</p>
<p>LIFE ESTATE</p> <ul style="list-style-type: none"> ● Permanent ● Gives you the right to use the property until your death 	<p>Transfers real estate while maintaining your right to use the property for the rest of your life.</p>	<p>Provides a charitable deduction for income taxes and lowers the taxable value of your estate.</p>



When you conserve your land, it can remain open for recreation—including walking, hiking, biking, hunting, and fishing—according to your wishes.

FINANCIAL BENEFITS

Landowners who donate all or part of an interest in their property often realize significant tax benefits, usually in the form of a state credit, federal income tax deduction, and/or reduction in estate tax liability. It is important to note that benefits are not guaranteed, with much depending on your particular financial circumstances and evolving tax regulations.

Prospective donors should always seek professional financial counsel before making plans based on potential tax benefits. In certain cases, landowners who would like to realize their equity from the land without seeing it developed may be able to achieve this goal by selling the land or a CR to a state conservation agency.

QUESTIONS TO ASK AS YOU PROCEED

Answering the following questions may help you consider your options and begin to formulate a plan for your land's future.

- What are your goals for the property? Do you want a prohibition on development, limited building sites, continued farming, periodic or no logging, or public access for recreational purposes? Think about how you wish your land to be used by generations to come.
- Who do you wish to own the property in both the short and the long term—you, your heirs, a private buyer, a nonprofit agency such as BNRC, or a state agency?
- Do you need the proceeds of a sale, or would your circumstances allow you to donate conservation interests in all or part of your land?
- Are you concerned with estate, income, or property tax implications?

NEXT STEPS

BNRC is pleased to provide information and support to landowners considering preservation or conservation. If you have questions or would like to discuss your options in greater detail, please call us. All inquiries are confidential and without obligation.

INFORMATION ON THE WEB

Berkshire Natural Resources Council
Massachusetts Land Trust Coalition
MassWoods

www.bnrc.org
www.massland.org/resources
www.masswoods.org



Future generations will be able to experience the joys of nature when today's landowners make the choice to conserve and protect their land.



BERKSHIRE

Natural Resources Council

THE LANDKEEPERS

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