



What is an Agricultural Conservation Easement?

The purpose of an agricultural conservation easement is to permanently protect a farm from future development, while ensuring it stays in agricultural production forever.

A conservation easement is a voluntary legal agreement between a landowner and a conservation nonprofit or agency. Landowners can sell or donate a conservation easement to a qualified nonprofit conservation land trust or government agency. The dollar value of the easement is determined by an appraisal to establish a sales price, and to help calculate any tax benefits that may be available to the farm owner under federal and state law.

The value of an agricultural conservation easement is the fair market value of the property minus its agricultural value, as determined by a qualified appraiser. In general, more restrictive easement language and more intense development pressure results in higher easement values.

Each easement is an individually customized document that the farm owner and the conservation nonprofit negotiate and agree to the terms of, before it is signed. Once an agricultural conservation easement is signed by the landowner and the conservation nonprofit, the terms of the easement remain with the land forever, even if the farm is someday sold or inherited.

Benefits of Agricultural Conservation Easements

- Permanently protects farmland so that it remains in agricultural production forever
- Provides a cash incentive for farm owners who choose to sell a conservation easement
- Enables future buyers to purchase the farmland at its agricultural value
- May provide farmland owners with tax benefits, including income and estate tax reductions

What is the Difference Between a Purchased and Donated Easement?

Purchased agricultural conservation easements generally use government or nonprofit land trust money to pay the farm owner for the easement. When a farm owner chooses to donate all or part of an agricultural conservation easement to a conservation nonprofit, the donation is treated as a charitable gift. Landowners may be able to deduct a portion of the easement value from their federal taxes.

What are the Conservation Nonprofit's Land Stewardship Responsibilities?

After an agricultural conservation easement is signed, South of the Sound Community Farm Land Trust is responsible for ensuring that the terms of the easement are protected forever. To do this, the Farm Land Trust visits the farm annually to ensure that the terms of the easement are followed.

For more information, contact:

Mary Ann Swain
Director of Farmland Preservation
South of the Sound Community Farm Land Trust
2918 Ferguson St NW Bldg 1, Suite A; Tumwater WA 98512
(360) 451-1452
maryannswain@earthlink.net