

Land Legacies

BLUE RIDGE FOOTHILLS CONSERVANCY

A Local Resource for Madison and Greene

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Evan Bowman, Lee Durrer, Darrell Eppard, and Bobby McDaniel of the Greene County Young Farmers helped to prepare a delicious dinner!

Conservation Barn Dinner Special Thanks to the Greene County Young Farmers!

On a chilly Friday evening in March, the Greene County Young Farmers co-hosted a Conservation Barn Dinner with the Blue Ridge Foothills Conservancy (BRFC). An unprecedented number of participants enjoyed a presentation on *Conservation Easements: Understanding Them and How They Benefit You as a Landowner*. A special thanks to Evan Bowman and his cohorts of the Greene County Young Farmers who donated and prepared a delicious Rib Eye Steak Dinner for over 70 people.

Rex Linville of the Piedmont Environmental Council shared his expertise about how voluntary land conservation has become one of the principal means for protecting our farms, our history, our watershed, our rural character, and open spaces for future generations.

When BRFC began working with our partners in 1999 there were only 374 acres in Greene County and 1,203 acres in Madison under Conservation Easement. Today conservation easements preserve the pristine beauty of 8,801 acres in Greene and 12,388 acres in Madison.

As Bob Roberts of the Greene County Young Farmers, remarked at the event, "The decision to preserve the rural character of a farm through a conservation easement is a very personal and individual one." Circumstances are different for every family. He also announced the launch of the Greene County Conservation Fund to provide qualifying landowners with interest-free loans for the upfront legal costs of obtaining an easement. Madison County already has such a fund.

Please don't hesitate to contact our local representatives for additional information:

Blue Ridge Foothills Conservancy:

Trish Crowe 540/948-5444

Madison County:

Piedmont Environmental Council
Beth Burnam 540/984 3854

Greene County:

Piedmont Environmental Council
Rex Linville 434/466-8843

Greene County Conservation Fund:

Carl Schmitt 434-985-9815

Virginia Department of Forestry:

Mike Santucci 434/977-5193



Bob Roberts, Greene County Young Farmers

Expanded Federal Tax Benefits for Conservation Easements in 2011

Expanded Federal Tax benefits for land put under Conservation Easement have been extended for easements recorded in 2011. While there is hope these expanded tax benefits might be extended, the federal deficit and other Government belt tightening actions suggest that 2011 may be the last for these benefits.

How the federal benefit works.

Federal law allows a taxpayer that places permanent conservation easement on their property with an authorized easement holder to deduct a percentage of their gross income for a set number of years so long as the cumulative value of the deductions do not exceed the Conservation Value of their easement. The Conservation Value is the difference in land value as determined by an appraisal between the highest and best value without restriction and the value with the restrictions established by the Conservation Easement.

Without the expanded federal benefits, the original tax rules allowed a taxpayer to deduct 30% of their annual gross income and to do so for a total of 6 years so long as the cumulative deducted amount does not exceed the Conservation Value. The expanded federal tax benefit raises the taxpayer deduction to 50% of their gross income and raises the term over which you can use the deduction to 16 years. Farmers with their total income from agriculture may qualify for 100% deduction.

Example: Taxpayer is a couple with \$50,000 of taxable income who donate an easement on 135 acres with a highest and best value of \$6,000 an acre for a total of \$810,000. The Conservation Value is appraised at 35% of the highest and best value or \$283,500. This is the amount considered a donation for tax purposes. Under the rules available for 2011, the couple can deduct \$25,000 a year for 11 years, and \$8,500 for the twelfth year and thus take advantage of the entire \$283,500 deduction. This amount is deductible on both their federal and state returns. But under the prior 30%, 6 year rule, they would only be able to deduct \$15,000 a year for 6 years, for a total of \$90,000, and therefore would lose the benefit of \$193,500 of their deduction.

The above discussion does not show all of the tax benefits a conservation easement holder receives such as the Virginia Tax Credit. In this example, the Tax Credit would be 40% of the Conservation Value of \$283,500 or \$113,400. The Virginia Tax Credit can be used to pay Virginia Income Tax or sold to buyers looking to reduce their State tax liability.

The amount of a taxpayer's income over the years, the size and Conservation value of the land put under easement all affect the amount of the added benefit derived from the expanded Federal Tax benefits for Conservation Easements. One needs to make their own calculations to see how it might apply to a particular landowner situation.

“Paint the Piedmont” Benefit Art Show and Auction Raises over \$2,400 for local land conservation activities



Priscilla Schmitt admires Bonnie Dixon’s hand painted Piedmont landscape on local goose eggs. Scott Elliff tends bar in the background. John Mitchell, photographer

Over several weekends in December, the Firnew Farm Artists’ Circle sponsored an art show and auction to benefit the Virginia Outdoors Foundation (VOF) and the Blue Ridge Foothills Conservancy (BRFC). Held at DuCard Vineyards in Etlan and the River District Arts Collective in Sperryville. The event featured paintings of landscapes which have been permanently protected through conservation easements, both in Madison and Greene Counties and elsewhere in Virginia. The event raised over \$2,400 to help continue the work of protecting the natural beauty of these areas. Sherry Buttrick said “On behalf of VOF, we are delighted by the interest and support that this event received and how wonderfully the artists portrayed these precious landscapes.”

The show highlighted undeveloped areas of the region in various mediums such as: watercolor, mixed media, sculpture, acrylic, and oil painting. Area artists included Noah Bradley, Armand Cabrera, Trish Crowe, Bonnie Dixon, Lou Messa, Michelle Powell, Chee Ricketts, Janice Rosenberg, Fran Wohlfelder, Richard Young and Sharon Zarambo. Though many events sponsored by the Firnew Artists Circle have explored the idea of “place,” this is the first show specifically designed to highlight easement areas.



Lou Messa, Madison artist, Charles Seilheimer, and Sherry Buttrick of the Virginia Outdoors Foundation, and Trish Crowe-BRFC

John Mitchell, photographer

“We ought to be able to see the unspoiled landscape in the future,” said Trish Crowe founder of the art group and President of BRFC, about why the group chose to depict land protected by conservation easements. “Once it’s developed, you can’t get it back.”

Special thanks go to the donating artists, Scott Elliff of DuCard Vineyards and Jerome Niessen of River District Arts for donating wine and venues, Chef Sebastian Carosi for his beautiful local foods, and John Mitchell for Photography for documenting the event.



Spring Fund Drive

During these difficult times we know that many non-profits are requesting help and contributions. All of us are making difficult decisions during these times. The Blue Ridge Foothills Conservancy Board humbly asks you to remember us with your tax deductible gift. We are an all volunteer Board that gives our time freely however there are still costs involved within the work we do to

protect open spaces and stewardship of the land. For your convenience, we have enclosed within this issue of the newsletter, a remittance envelope. Please don’t hesitate to contact us if we can be of any assistance to you or your family. More information is on our website which is: www.BlueRidgeFoothillsConservancy.org.

The Blue Ridge Foothills Conservancy is a 501 (c) 3 tax exempt organization. Your contributions are deductible to the full extent of the law.

Crossroads

The William Monroe and Madison High Schools recipients of the Tucker Hill Scholarship will be announced on June 12, 2011 at DuCard Vineyards, Etlan.



Tucker Hill's monotype of Greystone Inn, Banco

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Blue Ridge Foothills Conservancy, Inc.
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Other Dates to Remember

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| May 31 – June 2 | <i>Virginia Land Conference 2011</i>
Omni Hotel, Charlottesville
For more information: 540/347-2334 www.pecva.org |
| June 12, 2011 | CROSSROADS
Celebrate BRFC's Conservation Work with Wine & Art
DuCard Vineyards, Etlan |
| August 9 & 16, 2011 | Virginia Department of Forestry, Virginia Cooperative Extension and Virginia Tech
<i>Family Forestland Short-course: Focusing on Land Transfer to Generation "NEXT"</i>
12:30 - 7
Lake Monticello Club House
Fluvanna County
Contact: slillard@vt.edu 540 948 6881 |
| September 17, 2011 | BRFC Annual Meeting
Greene County |

