

Saving the Farm Without Breaking the Bank

Do you enjoy the clean air, fresh water, and healthy food that your land produces? Would you like to pass that on to future generations? Perhaps you are considering donating your development rights to reduce your income taxes. Possibly your heirs will benefit from lower inheritance taxes. Or you may just like the feeling of knowing your farm will never be carved into pieces and developed. So how do you go about it?

There are two main steps: 1) Decide what you want, and 2) Contact a local land conservation organization to work out the details. Telephone numbers and websites are listed below. The organization will want to meet you on your farm if it sounds like protecting your land will fit their mission. This site visit will allow everyone to evaluate your land, and to clarify wishes and concerns.

If there's a good match between your goals and those of the organization, a 'conservation easement' can be created. This is a voluntary legal agreement between the landowner and the conservation group. The conservation easement identifies the land's important values and spells out restrictions designed to protect them. For farmland preservation, for example, conservation easements commonly prohibit houses from being built on prime agricultural land. The conservation easement is attached to the land title, and is permanent.

The entire process, from calling to filing, usually takes six months to a year. If you want to claim the easement as a charitable donation, it will need to be appraised sometime between the last two months of the process and the time an income tax deduction is filed. The Farm Bill currently in Congress will determine future rules on

deductions allowed for charitable conservation easement contributions, with the potential to allow very generous deductions for farms (up to 100% of your adjusted gross income with multiple years carry forward). Consulting a lawyer and financial advisor early in the process is strongly recommended.

The Agricultural Resources Committee will be sponsoring Town Hall meetings in March to answer questions and hear your ideas about farmland preservation. If you can't attend, please call or email me or one of the organizations listed below. It's a simple and powerful way to influence what your islands become.

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San Juan Preservation Trust -- 468-3202 www.sjpt.org

San Juan County Land Bank – 378-4402 www.co.san-juan.wa.us/land_bank/

Agricultural Resources Committee – 378-6621 www.sjcarc.org