

ACEP PROGRAM (ACEP)

Description

The ACEP provides funds to help purchase conservation easements to keep productive farm land in agricultural uses. The program offers farmers facing high development pressure an alternative to selling their farms for non-agricultural uses. Working through existing programs, the NRCS partners with state, tribal or local governments and non-governmental organizations to acquire conservation easements from landowners.

Benefits to Landowner

Landowners are paid for placing a conservation easement on their property. The conservation easement restricts the farm from being developed and helps farmers stay in business by providing a financial boost. The owner continues to own and work the land, but the easement assures it will never be developed in the future. The value of the conservation easement is determined by an appraisal. The ACEP is a matching program that can provide up to 50% of the costs to purchase a permanent conservation easement matched with funds from a local sponsor, government agency, or conservation group. Landowners may choose to donate up to 25% of the value of the easement, but the remaining 25% must come from a sponsoring government agency or non-profit organization. The donated portion of the easement may be eligible for state and federal income tax incentives.

Costs to Landowner

There are few costs to the landowner except for any costs associated with legal and financial counsel and with due diligence (i.e. surveys and appraisals). If seeking income tax benefits, landowners must pay for their own appraisal.

Term

Conservations easements must be permanent in Georgia.

Eligibility

Eligible land is privately owned land on a farm in Carroll County that contains either: 1) prime, unique, statewide or locally important soils, 2) historical or archaeological resources, or 3) land that furthers a State or local policy consistent with the purposes of the program. Eligible land must also have a pending offer with the easement buyer and may include cropland, rangeland, grassland, pastureland, and forestland, as well as wetlands and other incidental land that is part of an agricultural operation.

Landowner Initiation

Since matching funds are required, a landowner should inquire with their local government about the possibility of partnering to submit an application. Interested landowners should contact the state conservationist to discuss the project before submitting an application. For more information, contact the state NRCS office at 706.546.2203 or visit the Georgia NRCS Web site at: www.ga.nrcs.usda.gov/programs/frpp.html.

CONSERVATION EASEMENTS

Description

A conservation easement is a binding legal contract between a landowner and a qualified entity (easement holder) that ensures the conservation values on a piece of property are maintained. Easement holders include local, state, or federal agencies as well as nonprofit conservation organizations, typically referred to as land trusts. The protected property remains in private ownership and can be bought or sold, but the easement restrictions stay with the property. Conservation easements are typically granted in perpetuity, which means that the property is permanently protected by the easement terms. It is the easement holder's responsibility to monitor and enforce the terms of the easement. The specific terms in a conservation easement are variable and are negotiated between landowners and the easement holder based on the conservation values to be protected. Examples of rights typically extinguished by an easement include subdivision, future development, mining, billboards, utilities, and significant change of natural features. However, they may allow for continued agricultural or forestry use, or additional structures if not incompatible with the conservation purposes. Thus, they are a flexible tool to use to protect your property and help keep the land in its current condition for future generations.

Benefits to Landowner

A donation of a permanent conservation easement is eligible for significant federal and state income tax incentives. It may also reduce the landowners' property taxes by reducing the assessed value of the land. Landowners may ask for a re-assessment by their local tax assessor after completing a conservation easement.

Costs to Landowner

The main cost to the landowner is the development potential that is lost by placing an easement on the property. Easements typically diminish the market value of the land based on the amount of reserved rights, location, and size of the property. Landowners are responsible for "due

diligence" costs typically associated with any land transaction (e.g. attorney's fees, surveys, etc.) and must pay for a qualified appraisal of the easement value in order to receive tax incentives. In addition, landowners may be asked to provide the easement holder with a stewardship endowment to help ensure the conservation organization has the means to monitor and defend the easement in perpetuity.

Eligibility

Any landowner, either private or corporate, may place an easement on their property. There is no minimum or maximum size requirement, but eligible lands must meet conservation purposes as defined by the IRS in order to qualify as a charitable gift and receive federal tax incentives. To receive the state income tax credit, the land must be certified for conservation purposes as defined by GA DNR.

Landowner Initiation

The first step in donating a conservation easement is finding a qualified organization or government agency willing to hold your easement. More in-depth information on conservation easements and the current incentives can be found at www.glcp.ga.gov or by calling 404.584.1101.