



Perpetual Conservation Easements

Perpetual conservation easements need to be reviewed and approved by the Director of Planning & Community Development. Once this process is complete the easement must be recorded with the Clerk of the Circuit Court. After the easement/deed is recorded the Commissioner of the Revenue reviews the easement for tax purposes.

Conservation easements, while a land use form of assessment is a **SEPARATE ISSUE**. This is because, although valued at the locality's open space land use value, they are considered to be at fair market value while at that value. This results in less impact on the locality school funding rates because they are not a benefit program but a low assessed value. They are technically **NOT** part of the land use program. They also cannot be changed at the desire of the user after the agreement is signed with the qualifying underwriting agency. Such underwriting agencies include but are not limited to:
Piedmont Environmental Council
Virginia Outdoors Foundation
Nature Conservancy

Once a parcel is committed to a conservation easement by the owner, it is considered permanently (to perpetuity) in a conservation easement. Such commitment makes the land unavailable for any future development and under certain underwriting agreements cannot even have support buildings such as barns constructed on it. Specific contractual agreements with the easement (contract) holder must be reviewed.

The land that is specifically preserved for historic reasons, such as under the Virginia Landmarks Register or the National Register of Historic Places, is one type of conservation property that is sometimes only in the open space category. Individual agreements need to be examined for wording as to the requirement of perpetuity. Most typically, property added to a locality conservation easement roll would be open space that the landowner wishes to remain undeveloped perpetually. Such commitment requires that the property not be available for his heirs or assigns to develop as well. Again – it is a PERMANENT decision for all intents and purposes and attaches to the specific parcel acreage identified in the agreement.

How Taxed

Such easement agreements state the number of acres and are specific as to the location and description of the property.

Valuation of conservation easement property goes hand in hand with land use since the value used and changed during each reassessment effective year is the value the locality has on open space classification in the land use program and cannot be taxed at a higher value.

Roll backs are not an issue since the property cannot be taken out of the conservation easement plan. Any change in ownership, by any means (sale, inheritance, foreclosure, etc.) does not change the conservation easement contract.

Effect on the Locality

The effect on the tax base of the locality with conservation easement property is that the revenue from that property should never be expected to generate more than the tax on open space property in the same locality.

The locality should not anticipate any future rollback taxes, since none apply due to the permanency of the use.

The locality should not expect any sizeable improvements for taxation since most agreements allow no buildings or only farm or park type buildings. Each agreement should be examined for the regulations on that parcel.

Again – such conservation easement value is equal to the open space value but the parcels are not part of the land use open space category. Conservation easement property IS at fair market value when it is assessed at open space value due to the severe limitations on its uses.

Contract Holders

Some of the organizations that can hold conservation easement contracts and their web sites are:

PIEDMONT ENVIRONMENTAL COUNCIL

<http://www.pecva.org>

NATURE CONSERVANCY

<http://www.nature.org>

VIRGINIA OUTDOORS FOUNDATION

<http://www.virginiaoutdoorsfoundation.org>