



About Agricultural Conservation Easements

Description

An agricultural conservation easement is a deed restriction landowners voluntarily place on their property to protect productive agricultural land and open space. They are used by landowners (“grantors”) to authorize a qualified conservation organization or public agency (“grantee”) to monitor and enforce the restrictions set forth in the agreement. Conservation easements are flexible documents tailored to each property and the needs of individual landowners. They may cover an entire parcel or portions of a property. The Centre County Farmland Trust works with the prospective grantor to decide which activities should be limited to protect specific resources.

Restrictions

In general, agricultural conservation easements limit subdivision, non-farm development and other uses that are inconsistent with commercial agriculture. Some easements allow lots to be reserved for family members. Typically, these lots are small—one to two acres is common—and located on the least productive soils. Agricultural conservation easements often permit commercial development related to the farm operation and the construction of farm buildings. Farming practices are not restricted.

Terms of Restriction

Agricultural Conservation Easements placed by the Centre County Farmland Trust are permanent. The agreement is legally binding on all future landowners. An agricultural conservation easement can be modified or terminated by a court of law if the land or the neighborhood changes and the conservation objectives of the easement become impossible to achieve. Easements may also be terminated by eminent domain proceedings.

Retained Rights

After granting an agricultural conservation easement, landowners retain title to their property and can still restrict public access, farm, use the land as collateral for a loan or sell their property. Land subject to an easement remains on the local tax rolls. Landowners continue to be eligible for state and federal farm programs.

Valuation

The value of the easement is used to calculate tax benefits that may be available under federal and state law. The value of an agricultural conservation easement is the difference between the fair market value of the property and its restricted value, as determined by a qualified appraiser. In general, more restrictive agreements and intense development pressure result in higher easement values.

Benefits

- Conservation easements permanently protect important farmland while keeping the land in private ownership and on local tax rolls.
- Conservation easements are flexible, and can be tailored to meet the needs of individual farmers and ranchers and unique properties.
- Conservation easements can provide farmers with several tax benefits including income, estate and property tax reductions.
- By reducing non-farm development land values, conservation easements help farmers and ranchers transfer their operations to the next generation.

Cost

CCFT covers all costs associated with easement placement, including but not limited to: survey, appraisal, recording, staff, materials, and ongoing costs associated with future easement stewardship. Landowners are encouraged to make a donation to offset the costs of their easement and future easements.

*Adapted from the American Farmland Trust
www.landtrustalliance.org
Revised October 2013*

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