

A photograph of a forest with large trees and a sunset, with a yellow vertical bar on the right side. The sun is low on the horizon, creating a warm glow through the trees. The foreground is filled with green grass and small plants. The text 'CONSERVATION EASEMENTS' is overlaid in white, serif font at the bottom left. Below it, in a smaller white font, is 'LANDOWNER GUIDE • THE PATHWAY TO CONSERVATION'.

# CONSERVATION EASEMENTS

LANDOWNER GUIDE • THE PATHWAY TO CONSERVATION



*Front Cover Photo by Lauren Yoho/Wildpath, 01 Bluefield to Cow Creek-LY, 2023*

*Photo by Katie Bryden/Wildpath, 02 Cow Creek-KB, 2023*

*Back Cover Photo by Katie Bryden/Wildpath, 02 Avalon-KB, 2023*



## INTRODUCTION

SVN | Saunders Ralston Dantzler Real Estate presents, Conservation Easements: A Landowner Guide, The Pathway to Conservation. Compiled by conservation experts, Dean Saunders, ALC, CCIM, and Jeremiah Thompson, ALC, this guide brings together their extensive knowledge and experience on conservation easements.

In collaboration with our partner Dean Mead, we strive to provide landowners with the most accurate information. Florida law leaders Austin Alderman, Stephen R. Looney, Michael D. Minton, and Brian M. Stephens navigate the complexities of tax strategies and implications.

This landowner guide offers a comprehensive overview of conservation easements, their benefits, legal considerations, and tax implications. Not only is the number of conservation easements bought by the federal, state, and local governments expanding, but the demand from conservation organizations is also growing. To best serve clients, this guide serves as a valuable resource for landowners, conservation organizations, and stakeholders interested in land conservation and sustainable land management practices.





## HISTORY OF FLORIDA'S CONSERVATION EFFORTS

On March 3, 1845, Florida became the 27th state of the United States of America. The vast majority of the land in the state remained in Federal ownership, but the new state immediately acquired millions of acres of land through the equal footing doctrine and Federal land grants.

In 1855, the Trustees of the Internal Improvement Trust Fund was created as an agency of the Florida government to hold lands owned by the State. This board consists of the Governor and Cabinet, often referred to as "BOT" or "TIITF". In 1841, the U.S. government granted each state in the union 500,000 acres. Combined with the land received as a result of the Swamp and Overflowed Lands Act of 1850, the Trustees had more than 21 million acres under its control. The land records of this board are managed by the Title and Land Records section of the Bureau of Survey and Mapping. Title and Land Records is the oldest continuous office or section of the Florida government. Since then, Florida has worked to protect and conserve natural resources.

Conservation easements began to gain popularity in the United States during the mid-20th century, with the first recorded

conservation easement established in 1958 by the Trustees of Reservations in Massachusetts. However, the concept of land conservation dates back even further, with early efforts led by organizations such as The Nature Conservancy and government agencies like the National Park Service. These efforts paved the way for the development of legal mechanisms like conservation easements to protect land for conservation purposes while allowing private landowners to retain ownership and use rights.

In 1976, Congress enacted legislation permitting a deduction for the contribution of a conservation easement in an effort to encourage the preservation of the country's natural resources. This legislation included provisions allowing for the tax deductibility of charitable contributions, which encompassed donations of conservation easements. This marked the federal government's formal recognition of conservation easements as a legitimate tool for preserving natural and cultural resources.





## HISTORY OF FLORIDA'S CONSERVATION EFFORTS

### **PRESERVATION 2000, FLORIDA FOREVER, & RURAL AND FAMILY LANDS PROTECTION PROGRAM**

Florida is renowned for retaining significant natural landscapes compared to other eastern U.S. states.

Since the 1950s, the state's population has surged at an annual rate of approximately 4 percent. More recently, there has been another influx of population, with over 1,000 people relocating to the state daily. Over the past five decades, development has consumed over 8 million acres of forest and wetland habitats, amounting to roughly 24 percent of the state's total land area.

Thankfully, Florida has strong conservation programs deeply rooted in its history. It is home to the nation's first wildlife refuge, Pelican Island, and the inaugural eastern national forest, Ocala National Forest. The American Academy awarded the Florida Department of Environmental Protection's Florida Park Service the 2019 National Gold Medal award for Excellence in Park and Recreation Management for the Park and Recreation Administration in partnership with the National Recreation and Park Association. This achievement makes Florida the only park system in the nation to win a fourth Gold Medal award.

Over time, the state has implemented several significant land acquisition programs aimed at preserving its native landscapes from further development, including:

- **1968:** Established a \$20 million bond program to acquire outdoor recreation lands
- **1972:** Allocated an additional \$40 million for an outdoor recreation bond and established a \$200 million Environmentally Endangered Lands (EEL) program
- **1979:** Established the Conservation and Recreation Lands (CARL) program
- **1981:** Developed Save Our Coast (SOC) and Save Our Rivers (SOR) programs
- **1990:** Established the Florida Preservation 2000 program
- **1994:** Established the Green Swamp Land Authority
- **2000:** Started the Florida Forever program
- **2001:** Started the Rural and Family Lands Protection Program
- **2021:** Florida Wildlife Corridor was funded







## HISTORY OF FLORIDA'S CONSERVATION EFFORTS

### **P2000**

In 1990, the Legislature passed the Preservation 2000 Act to accelerate the acquisition of public lands for environmental and recreational purposes. This was in response to the imminent development of Florida's natural areas and the continuous rise in land values. The state allocated \$300 million annually in revenue bonds for the program over its 10-year duration, totaling \$3 billion. Funding for Preservation 2000 primarily came from revenues generated by the documentary stamp tax, with a smaller contribution from the severance tax on phosphate.

The P2000 initiative has protected over 1.8 million acres of conservation land across Florida. These areas play a vital role in safeguarding Florida's biological diversity and guaranteeing that future generations can enjoy the remaining natural landscapes of the state. The program has preserved numerous fragile environmental habitats in Florida and has inspired local community-driven conservation projects.

### **GREEN SWAMP LAND AUTHORITY**

In 1994, as a freshman State Representative, Dean Saunders authored the legislation that established the Green Swamp Land Authority. This marked the inception of the state's initiative to

purchase development rights (PDR) from landowners. At the time, this legislation introduced a pioneering concept with no existing formal program within the state. It aimed to gauge the acceptance of PDRs among landowners and their adoption by government agencies. The pilot program initially focused on the Green Swamp, a 322,690-acre area designated by the State of Florida as an Area of Critical State Concern.

The Green Swamp Land Authority (GSLA) was primarily funded through various sources, including state appropriations, grants, and revenue generated from taxes and fees. One significant source of funding for the GSLA was revenue bonds issued under the Preservation 2000 Act.

It proved the efficacy of the idea, preserving over 30,000 acres, giving way to the initiative of the legislature in P2000 to require State Agencies to initiate conservation easements. This legislation was the precursor and demonstrated the success of the program to the State Agencies who were hesitant to commit.





## HISTORY OF FLORIDA'S CONSERVATION EFFORTS

### FLORIDA FOREVER

Florida Forever is the largest public land acquisition program of its kind in the United States and arguably the best. The program supports a wide range of goals, including water resource protection, coastal resiliency, preservation of cultural resources, public access to outdoor recreation, and the restoration and maintenance of public lands. More than 2.6 million acres have been purchased under the Florida Forever and P2000 programs. Since the inception of the Florida Forever program in July 2001, the state has purchased more than 902,011 acres of land with approximately \$3.3 billion. The state manages 10.1 million acres of land for conservation, nearly thirty percent of all land in Florida.

### THE RURAL AND FAMILY LANDS PROTECTION PROGRAM (RFLPP)

The Rural and Family Lands Protection Program (RFLPP) is an initiative aimed

at preserving agricultural lands by acquiring permanent agricultural land conservation easements. It serves three main objectives: safeguarding valuable agricultural lands, ensuring sustainable agricultural practices through easement agreements, and protecting natural resources alongside economically viable agricultural operations. Established in 2001 under the Rural and Family Lands Protection Act, the program has acquired conservation easements on nearly 70,000 acres of working agricultural land. These easements serve the dual purpose of preserving a vital agricultural sector while maintaining rural landscapes and open spaces.





## WHAT IS A CONSERVATION EASEMENT AND HOW DOES IT WORK?

When land is purchased, landowners also buy a bundle of rights. These rights are the right to sell, lease, use, exclude, dispose of, or develop property. Collectively this bundle of rights is called “fee title.”

Landowners can sell some of these rights while maintaining ownership of the land. This is generally known as selling a “less-than-fee” interest. A conservation easement is a form of “less-than-fee” interest. For the sake of this guide, we are using the term conservation easement.

A conservation easement represents a voluntary, legally binding agreement between a landowner and either a government agency or a non-governmental conservation organization. This agreement aims to maintain the land in its natural habitat, agricultural, and/or open space uses. The agreement is generally customized to meet the landowner’s and conservation agency’s objectives and, in most cases, is perpetual.

In Florida, as defined by Section 704.06 of the Florida Statutes, a “Conservation Easement” is described as a right or interest in real property that preserves land or water areas predominantly in their natural, scenic, open, agricultural, or wooded condition. It also aims to maintain suitable habitats for fish, plants, or wildlife, preserve sites or properties of historical, architectural, archaeological, or cultural significance, or uphold existing land uses while restricting certain activities.

Conservation easements offer a cost-effective approach for government agencies or non-government conservation organizations to

safeguard land. Instead of outright purchasing land, these agreements allow the acquisition of development rights, thereby protecting targeted resources and saving funds.

For landowners, conservation easements provide an option to prevent future residential and commercial development of their land and potentially reduce inheritance tax liabilities for heirs. They are particularly suitable for landowners deeply connected to their property and seeking multi-generational protection.

In essence, landowners sell or donate certain usage rights, such as development rights, to a governmental agency or conservation organization while maintaining current uses like recreation, agriculture, forestry, and ranching under legally binding stipulations. The easement protects specific qualities of the property, such as wildlife habitat, open space, agriculture, or aesthetics. Under a conservation easement, the public does not have access to the property.

In Florida, perpetual conservation easements can be donated or sold to an agency or organization through a less-than-fee transaction with the landowner. If the easement is sold, the landowner and the conservation agency negotiate the payment amount. This payment may equal the difference between the fair market value of the land without the easement and the fair market value of the land encumbered by the easement. This amount is generally paid out in cash at closing.





## WHERE DO I START?

Government entities that purchase conservation easements can be found in the participating organizations section of this guide. It is important for landowners to ask themselves questions before pursuing a conservation easement, as each program has a unique set of funding, application requirements, and procedures for approval. Three questions often arise when planning:

1. What do I want to do on my property?
2. What program will best fit my needs?
3. What terms in the easement do I need to negotiate to best fit my situation?

Many conservation easements, such as Rural and Family Lands and Florida Forever, can be tailored to meet the landowner's needs. In contrast, others are much more "one size fits all easements" such as the USDA/Wetlands Reserve Program.

To become eligible for purchase, the agency must first accept landowners into their program. Various programs require applications and in-depth review before being approved to pursue an acquisition. Often the projects are ranked by a committee against hundreds of other projects in their respective programs that compete for the same funding. Once the project is approved for a funded boundary, agencies generally have another round of review before negotiations. Since the programs are highly competitive, an element of strategic positioning often occurs during this time.

If selected to move forward, negotiation of the conservation easement terms occurs. This is when the prohibited uses, grantee's reserved rights, and grantor's reserved rights are negotiated, which will encumber the property

in perpetuity. These terms are negotiated prior to the appraisal and considered when valuing the property. Landowners should carefully negotiate the terms as some can significantly impact the value. Unlike typical real estate transactions, the sales price is unknown until after the agency completes the appraisal process. In many cases, the appraisal is not shown to the seller until after a contract has been signed, stressing the importance of knowing comparable sales in the market to maximize the land's full value. In some instances, more than one appraisal is necessary to reach a successful transaction.

Depending on the size of the project, most agencies will hire two appraisers and a review appraiser. This process typically takes 60-90 days. After the appraisal process is completed, the agency prepares an offer letter. Some agencies will pay 100% of the appraised price, while others may negotiate the price paid. Once a price is agreed upon, the agency will prepare either an option or a purchase and sale agreement. Most agencies use option agreements, which generally include another round of approvals by the Agency Governing Body, the Governor and Cabinet, the County Commission, or a WMD governing board.

Once the property is under contract, the agencies will begin ordering their closing due diligence items. These items include a survey, environmental site assessment (ESA), baseline documentation report (BDR), and in some cases enrolling in best management practices (BMPs). When all of the items have been completed, the property is ready to close, and funds are set to be dispersed to the seller.







## FREQUENTLY ASKED QUESTIONS

### **WHAT KINDS OF LAND AND LAND MANAGEMENT ARE APPROPRIATE FOR A CONSERVATION EASEMENT?**

With a conservation easement in place, a private landowner retains the ability to manage their property for various purposes such as timber production, sod cultivation, row crops, cattle grazing, hunting, or private recreation. Typically, a conservation easement is likely suitable if a property requires no additional management beyond what is already in practice. This is particularly true if the property adjoins existing conservation land, serving as a buffer or forming part of an ecological wildlife corridor linking other conservation areas.

### **WHAT IS THE BENEFIT TO THE LANDOWNER FOR SELLING A CONSERVATION EASEMENT?**

By granting or selling a conservation easement, an owner maintains ownership of the property while safeguarding its natural, historical, and agricultural assets for future generations. The property may be sold and the restriction travels with the property. The landowner is typically paid in cash at closing for the conservation easement and can continue to utilize the property for certain income-producing activities. Additionally, landowners may gain tax advantages by selling a conservation easement. Because the development rights have been sold, the property's value will be lower which can be helpful for estate tax purposes.

### **WHAT IS THE BENEFIT TO THE STATE FOR ACQUIRING CONSERVATION EASEMENTS?**

Acquiring agricultural and natural areas through conservation easements offers several advantages. First, the buyer gets land in conservation that might otherwise be unavailable (ie, the landowner isn't interested in selling the land but only a conservation easement). Second, acquiring land through easements often costs less than purchasing it outright. Since funds are limited, this approach enables agencies to stretch limited funding while achieving their conservation goals. Third, the state doesn't have to allocate money for perpetual management of the land. Fourth, the property is protected from development in perpetuity. In contrast, land use and zoning strategies are temporary and can be changed with new sets of elected officials, while conservation easements are protected from development. Moreover, properties acquired through easements remain on the property tax rolls, although at reduced rates, and the property continues contributing to the local economy.



## FREQUENTLY ASKED QUESTIONS

### **ARE THERE LEGAL STIPULATIONS?**

A conservation easement agreement requires the landowner to convey certain rights to the agency or organization that holds the easement and specifies uses prohibited on the property that will allow the easement to accomplish its intended conservation purposes. The agreement also specifies the grantor's (landowner's) reserved rights. These reserved rights are negotiable and tailored to meet the landowner's needs while meeting the goals of the conservation agency.

### **WHAT IS A BASELINE INVENTORY OR BASELINE DOCUMENTATION REPORT?**

The Baseline Documentation Report (BDR) serves as a comprehensive overview of a property's current state, encompassing existing uses, agricultural structures, and natural and disturbed areas. Prepared during the easement acquisition process, the property owner collaborates with the state to ensure the report's accuracy and completeness, providing input and reaching mutual agreement on its contents. Once finalized, the BDR becomes a permanent component of the property file and is utilized for ongoing monitoring and enforcement purposes in the future.

### **ARE BEST MANAGEMENT PRACTICES REQUIRED?**

Conservation easements often require landowners to strike a balance between resource protection and consumptive uses such as agriculture and natural resources. One of the best ways to accomplish this balance is to implement a Best Management Practices (BMP) program for the property, depending on the type of activities that occur. The Florida Department of Agriculture and Consumer Services (FDACS) has lead responsibility for developing and implementing agricultural BMP programs statewide. Many agencies require site-specific provisions for BMP implementation on those

easements with existing agricultural land use. Each easement requires the landowner to implement a BMP program on his or her property and coordinate agricultural activities with FDACS.

### **WHO MONITORS THE CONSERVATION EASEMENT?**

Typically, the easement holder implements a monitoring site visit schedule to verify that landowners adhere to the agreed-upon terms of their easements. In Florida, easement holders often monitor these easements through a third-party agreement with the Florida Natural Areas Inventory (FNAI). The Florida Natural Areas Inventory (FNAI) is administered by the Institute of Science and Public Affairs at Florida State University. They are dedicated to gathering, interpreting, and disseminating information critical to the conservation of Florida's biological diversity. They serve as the primary source for information on Florida's conservation lands. FNAI typically conducts visits to each easement property on a 36-month cycle and furnishes written reports to the easement holder.

### **WHAT DOES THE MONITORING INSPECTION INVOLVE?**

The easement holder oversees activities to ensure they align with the terms and restrictions of the easement. A monitor conducts an interview and site visit with the property owner or manager, during which they inspect the property to document its condition and note any potential breaches. The owner is interviewed to address any issues, future plans, and ensure compliance with the easement terms regarding planned activities. Should a violation be identified, the monitor informs the monitoring agency to promptly address the issue with the owner.



*Photo by Lauren Yoho/Wildpath, 04 Bluefield to Cow Creek-LY, 2023*



## WHICH ORGANIZATIONS ARE INVOLVED IN PURCHASING CONSERVATION EASEMENTS?

The primary state agencies engaged in perpetual conservation easements in Florida include the Department of Environmental Protection (DEP), Department of Agriculture and Consumer Services (FDACS/RFLP), and Water Management Districts. These agencies often seek to acquire easements, particularly in sizable tracts, to safeguard watersheds.

Typically, conservation easements are donated to charitable nonprofit land trusts. However, these organizations may also purchase easements on occasion, either for resale to a government agency or as a strategic means to protect more land with fewer financial resources. In such cases, the landowner retains fee ownership, possession, and various other rights. While not an exhaustive list, the following are the primary purchasers of conservation easements in Florida:

### STATE AGENCIES

- Division of State Lands
- Rural & Family Lands; FDACS
- Water Management Districts; SFWMD, SJRWMD, SRWMD, and NFWFMD

### COUNTY PROGRAMS

Alachua, Brevard, Broward, Charlotte, Collier, Flagler, Hernando, Hillsborough, Indian River, Lake, Lee, Leon, Martin, Miami Dade, Osceola, Palm Beach, Pasco, Pinellas, Polk, Santa Rosa, Sarasota, Seminole, and St. Lucie

### FEDERAL PARTNERSHIPS

Federal agencies and programs that have conserved land in Florida include:

- U.S. Natural Resources Conservation Service – Grassland Reserve Program (GRP)
- U.S. Natural Resources Conservation Service – Wetlands Reserve Program (WRP)
- U.S. Natural Resources Conservation Service – Farm and Ranch Lands Protection Program (FRPP)
- U.S. Fish and Wildlife Service
- U.S. Forest Service
- U.S. Department of Defense – Readiness and Environmental Protection Initiative (REPI)



*Photo by Lauren Yoho/Wildpath, 06 Sandy Gully-LY, 2023*



## TAX STRATEGIES & IMPLICATIONS

PRESENTED BY OUR PARTNERS: DEAN MEAD, FLORIDA LEADERS IN LAW  
*Austin Alderman, Stephen R. Looney, Michael D. Minton & Brian M. Stephens*

In Florida, conservation easements have become a popular tool that allows landowners to realize value for their properties, while allowing them to continue ownership and use of the property into the future while protecting in its current undeveloped (or historical) condition. In addition to the benefit of protecting property, conservation easements can provide landowners with certain tax benefits and advantages.

### **INCOME TAX IMPLICATIONS OF SELLING A CONSERVATION EASEMENT**

Like the sale of the entirety of a property interest, there are certain tax consequences for the sale of a conservation easement. The character of income received from the sale of an easement, capital or ordinary, is determined by the nature of the property just like a typical sale; however, how gain or loss is recognized depends on the terms of the conservation easement and how they affect the landowner's use of the property. In most instances, a conservation easement may allow the landowner to continue to make substantial

use of their property (e.g., grazing livestock or growing crops) and this would not be treated as a realization event. It would be a recovery of the landowner's basis in the property. In this scenario the landowner may not recognize a loss on the property and gain is recognized to the extent that it exceeds the landowner's basis in the property. For example, if a property is purchased for \$1,000,000 (the basis) and an easement is later sold for \$800,000, the owner's basis in the property would be reduced by \$800,000 and would now be \$200,000 on the remaining interest and the landowner would have no taxable gains. Assuming the same scenario, except the original basis is \$100,000, then the landowner would have a taxable gain of \$700,000 and a \$0 basis in the remaining interest.







## TAX STRATEGIES & IMPLICATIONS

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### TAX STRATEGIES FOR CONSERVATION EASEMENTS

As with the sale of property there are also opportunities to defer the recognition of gain in either scenario under Section 1031 of the Internal Revenue Code that allows for “like-kind exchanges” through the roll-over of proceeds. This is subject to strict timing rules that the landowner needs to be aware of prior to the sale of the conservation easement. Landowners should also be aware that there are less common scenarios where the landowner’s use of their property is substantially or entirely reduced, such as a floodwater easement that totally inundates the property. These conservation easements may be treated as a realization event for tax purposes. This would allow the landowner to treat the easement sale as if it were a sale of the entire property interest and recognize both gain or loss on the property, but the landowner should consult with a tax professional to determine how the easement will be treated.

### ESTATE TAX IMPLICATIONS OF SELLING A CONSERVATION EASEMENT

Conservation easements can also reduce the value of the remaining interest for the purposes of both the estate/gift and property taxes. For estate/gift purposes the tax is based upon the property’s fair market value (or the fair market value of an entity that holds the property) which

will be reduced because of the restrictions placed on the property, and therefore reducing the potential tax burden.

Estate taxes will see much of the same benefits as noted above under the benefits of an easement created by a sale, however with proper planning a landowner can retain their full interest in property until their death and still take advantage of the reduction of their taxable estate that is accomplished through the donation of a conservation easement. I.R.C. Section 2031(c) (9) allows for the landowner’s estate to make a qualified easement donation until the final due date, including extensions, for the return of the estate tax and still take advantage of the deduction granted under I.R.C. Section 2055(f). This does require that no person other than the estate be allowed a charitable deduction following the grant of the easement. To take advantage of this opportunity landowners should consult with counsel regarding their estate plan and steps that they may need to take to ensure that their estate will be able to take advantage of a donation after death. The estate tax value can be further excluded equal to 40% of the fair market value of the property on the date of death, up to a maximum additional reduction up to \$500,000. To receive this exclusion, it must be elected by the decedent’s estate.



# CREATION OF AN EASEMENT BY DONATION AND TAX CONSEQUENCES

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*Austin Alderman, Stephen R. Looney, Michael D. Minton & Brian M. Stephens*

The other method for the creation of a conservation easement is through a donation of the easement to a government or charitable entity that will receive the conservation easement. This does allow, subject to strict requirements, the landowner to claim a charitable deduction on their income taxes for the fair market value of the donation which is the difference in value of the property before and after the creation of the easement. Landowner's may also consider a hybrid sale/donation of the easement where they accept a reduced price for the sale of the easement and claim the remaining difference in value as a charitable deduction. To take full advantage of the deduction the property should qualify for long-term capital gains treatment.

Rules for donations that qualify for the charitable deduction are strict. The IRS applies additional scrutiny to charitable deductions claimed after donations of conservation easements. Attention should be made to guarantee the donation meets all necessary criteria. Failure to meet any of the required rules can result in the denial of the entire deduction. Section 170(f)(3) of the Internal Revenue Code allows for charitable deductions of a "Qualified Conservation Contribution" defined as:

- (i)** The entire interest in the property other than certain mineral interests;
- (ii)** A remainder interest in the property; or
- (iii)** A perpetual restriction on the use of the property.

And the contribution must be for a conservation purpose:

- (i)** The preservation of land for outdoor recreation by, or the education of, the general public;

- (ii)** The protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem;
- (iii)** The preservation of open space, including farm land and forest land, where such preservation is for the scenic enjoyment of the general public or pursuant to a federal, state or local governmental conservation policy; or
- (iv)** The preservation of historically important land area or a certified historic structure.

If a donation meets the necessary requirements an individual donor may deduct an amount up to 50% of their income in a given year and may carry forward the remaining deduction for up to 15 years. Individuals and corporations who are "qualified farmers or ranchers" (defined in I.R.C. Section 2032A(e)(5)) as receiving more than 50% of gross income from farming or ranching) may deduct up to 100% of their income so long as the landowner retains the right to use the property for agriculture or livestock after the donation. For example a landowner, who is not a qualified farmer or rancher, donates a conservation easement determined to have a value of \$1,500,000 and they have an annual income of \$200,000. They will be allowed to deduct up to \$100,000 from their income for the next 15 years. However if the same landowner is a qualified farmer or rancher, and retained the right to use the property for agriculture or livestock after donation, they would be allowed to deduct the entirety of their income until they have fully deducted the \$1,500,000 or have exhausted the 15 year period, whichever comes first.





## PROPERTY TAX ADVANTAGES OF A CONSERVATION EASEMENT

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Similarly, property taxes are based on the highest and best use value of the property, subject to certain exceptions such as land classified as agricultural in Florida, and oftentimes this will reflect the value of potential development. The creation of a conservation easement removes many potential uses that may have increased the highest and best use and can result in the reduction of taxable value. Section 196.26 of the Florida Statutes provides a specific exemption for property that has been dedicated for conservation purposes. Land dedicated in perpetuity, and used exclusively for conservation purposes, is exempt from ad valorem property taxes. Land that has been dedicated to conservation in perpetuity and is allowed a commercial use (such as continuing agricultural use) is exempt from ad valorem taxes to the extent of 50% of the assessed value. Note that this does not apply for land comprising less than 40 contiguous acres unless it is determined to fulfill a state conservation policy and yields a significant public benefit as determined by the Acquisition and Restoration Council.

Note that the same property tax benefits will apply to an easement that has been sold, or donated as discussed below.

Conservation easements are a powerful tool for landowners to extract value from environmentally or otherwise sensitive properties without selling the entirety of the property, potentially allowing for continuous ownership of the property as well as continuing agricultural or other uses subject to certain restrictions. The sale or donation of a conservation easement can also provide certain tax benefits that may be more attractive to landowners than an outright sale of appreciated property, as well as allowing for a reduction in property tax and consideration in estate planning. With these available benefits it is important that landowners are properly advised and understand all necessary steps and requirements to guarantee that landowners can take full advantage of available benefits.





## MEET CONSERVATION EXPERT, DEAN SAUNDERS, ALC, CCIM

Dean Saunders, ALC, CCIM, has a unique mix of experience in agriculture, real estate, and government. As an 8th-generation member of a Florida agriculture family, he knows land and the needs of ranchers, growers, farmers, and commercial interests. His perspective is a result of both private and public service.

As a former member of the Florida House of Representatives, Dean authored the legislation that created the Green Swamp Land Authority, the state's first formal program to purchase development rights, benefiting both landowners and the environment. He also served as Agricultural Liaison, Special Assistant, and Director of External Affairs to U.S. Senator Lawton Chiles and then Governor Chiles.

For almost 30 years, Dean Saunders has continued his work to conserve Florida's green infrastructure through the use of conservation easements, preserving more than 275,000 acres. In 2023, he assisted landowners in conserving over 30,000 acres across the state of Florida. Among Dean's other significant projects is the Bluffs of St. Teresa—a vast 17,000-acre tract along the Gulf of Mexico in North Florida, one of the most extensive remaining tracts of undeveloped land on the Gulf Coast. With these transactions, Dean's commitment to land conservation has preserved numerous crucial habitats for wildlife while maintaining the state's natural beauty for future generations.

Dean is a licensed real estate broker, certified as an Accredited Land Consultant (ALC) by the Realtors® Land Institute (RLI), and is one of only 2,000 brokers nationwide. He served as the 2022 National President of RLI.

In 2022, 2021, and 2020, Dean received the National Commercial Award from the National Association of REALTORS® (NAR) for exceptional service and contributions to the commercial real estate industry.

In 2023, Dean received a Top Twenty National Producer Award for the seventh consecutive year and the 2023 Region 10 Broker of the Year in Agricultural Land and Ranch Sales. Based on his 2021 sales volume, he was awarded the 2021 APEX Top National Producer Award as the country's number one land broker. The Realtors® Land Institute (RLI), the National Association of Realtors® land organization, also awarded him this award in 2020 and 2018.

Also, in 2023, he was the number one advisor within the SVN® network. For his performance in 2022, 2021, and 2020, he was the number two advisor among 1,100 advisors.







## MEET CONSERVATION SPECIALIST, JEREMIAH “JT” THOMPSON, ALC

Jeremiah Thompson, ALC, is a fourth-generation Floridan and earned a bachelor’s degree from Florida State University where he also played football for the Seminoles. He is a lifelong enthusiast of wildlife and natural resources and enjoys helping landowners achieve their goals. Jeremiah participates in many conservation groups throughout the state focused on protecting Florida’s natural resources.

As an Accredited Land Consultant (ALC) and 2023 APEX award winner, Jeremiah specializes in Florida land and conservation easements. He has worked

with many landowners and agencies throughout the state as a former Senior Acquisition Agent at the Florida Division of State Lands, successfully negotiating thousands of acres of land in conservation for the state of Florida. His experience gives him unique insight into the inner workings of the various agencies involved in negotiating conservation easements.





## ABOUT US

SVN | Saunders Ralston Dantzler Real Estate was founded by Dean Saunders in 1996. The firm focuses on land and conservation work. Its real estate professionals are experts in agricultural real estate, including the top land broker in the country and former operators of some of the largest citrus and agricultural operations in the state.

Now recognized as a national leader in land brokerage, SVN | Saunders Ralston Dantzler Real Estate's expert land real estate advisors specialize in various property types including citrus, farmland, timberland, ranch, recreational, transitional, and conservation. Representing buyers, sellers, investors, institutions, and landowners, the firm has brokered over \$5 billion in land real estate transactions.

SVN | Saunders Ralston Dantzler Real Estate offers proven experience, expert knowledge, excellent customer service, unsurpassed marketing services, and business savvy to create solutions for land and commercial real estate, and land resource management. The firm provides comprehensive

conservation easement services, helping landowners meet their land conservation goals through property valuation, contract negotiation, and ensuring an overall smooth transaction process.

SVN | Saunders Ralston Dantzler Real Estate remains a key ally in safeguarding Florida's natural and agricultural landscapes. Over the past three decades, the firm has played a crucial role in preserving more than 300,000 acres through conservation easements and sales. With expert advisors like Dean Saunders, ALC, CCIM, and Jeremiah Thompson, ALC skilled in negotiating conservation easements, SVN | Saunders Ralston Dantzler Real Estate is well-equipped to continue supporting landowners in achieving their conservation objectives for years to come.

### CONSERVATION QUESTIONS?

Contact Us  
863-648-1528  
RootedInLand.com



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