

Standard 6: Financial and Asset Management

Booking Conservation Easement Donations Policy

Conservation Easement donations received by Utah Open Lands are recorded at a zero value despite a value that may be reported on the IRS Form 8283 as determined by an independent appraiser. UOL does not capitalize conservation restrictions placed on land under our trust, which practice meets the conditions of industry standards. Conservation Easements donated to Utah Open Lands do not constitute a revenue source in the hands of the organization and as such, are not considered financial support. The purpose of the Conservation Easement is to remove certain subdivision and development rights from raw land, thus preserving the environment and natural habitats. This preservation comes at a price to the donor and as such, the donor is allowed a charitable deduction for this difference in value when applicable. As per 170(h) of IRS code, the value of the Conservation Easement to the organization is defined by the requirement that UOL have both the commitment and the resources to enforce the terms of the Conservation Easement, thus constituting a liability for the organization, which in turn results in the zero valuation.

See **Amendment Policy** regarding valuation for extinguishment proceedings or amendment actions.