

## Standard 9: Ensuring Sound Transactions

### Selling Land or Easements Policy

Utah Open Lands acquires two kinds of real property interests: easements and fee title. Fee title interests are acquired with or without requirements pertaining to protection of the property. All easements are acquired with protection requirements. Utah Open Lands will consider selling property interests not encumbered by a protection requirement. Generally, these include only unrestricted fee title holdings -- property donated to Utah Open Lands for the express purpose of furthering our mission through a sale of the property.

UOL markets and sells its property and selects buyers in a manner that avoids any appearance of impropriety and preserves the public's confidence. If a prospective buyer is an insider, (see definition below) UOL follows the practices contained in UOL's Conflict of Interest Policy regarding transactions with insiders.

The IRS, under [Internal Revenue Code \(IRC\) Section 4958](#), generally considers insiders or "disqualified persons" to be persons who, at any time during the five-year period ending on the date of the transaction in question, were in a position to exercise substantial influence over the affairs of the organization. Insiders generally include: board members, key staff, substantial contributors [see [IRC 507\(d\)\(2\)](#)], parties related to the above and 35-percent controlled entities. While these are strict definitions within the tax code, land trusts are advised to take an even more proactive approach to reduce or eliminate the potential damage that conflicts of interest may cause an organization and also include in the definition of insiders all staff members and those with access to information not available to the general public (such as certain volunteers). The term "related parties" is defined by the IRS to include spouse, brothers and sisters, spouses of brothers and sisters, ancestors, children, grandchildren, great-grandchildren, and spouses of children, grandchildren and great-grandchildren.