

Forever Farms

Preserving your family's legacy: how conservation easements protect your land's beauty and heritage while offering tax savings

BY HEATHER LEE | AN OHP EXCLUSIVE



FOR MANY LANDOWNERS, their land is often their most valuable asset and part of their family's legacy. To help preserve that legacy and pass the land to the next generation, one of the most effective tools available to preserve private land is with a conservation easement—a sophisticated strategy that ensures the land's natural beauty and agricultural uses remain intact and with the potential to realize significant federal tax savings.

Nowhere is that more relevant than in Marion County, where the rich pasturelands of the “Horse Capital of the World” are the lifeblood of the region's economy, culture, and equestrian heritage. Yet, as development pressures creep closer, landowners face an inevitable question: How do you preserve this paradise?

Organizations like Horse Farms Forever (HFF) and Conservation Florida are leading the way, connecting landowners with land conservation resources to protect their land while unlocking tax benefits that rival the most exclusive investment vehicles.

A Legacy Preserved

Land represents more than acreage; it's a family's legacy and a reflection of their values. Conservation easements ensure that legacy is protected in perpetuity. These voluntary agreements shield land from encroaching development, safeguarding it without compromising the owner's management of the land.

Imagine the rolling pastures, training facilities, and majestic live oak trees of your equestrian estate maintained just as they are today—no bulldozers, no subdivisions, just pristine, open land. And while your land's integrity is preserved, so too is your ability to breed, train, and ride.

For Traci Deen, CEO of Conservation Florida, it's about striking a balance. “Conserving your land is one of the most meaningful ways to permanently protect Florida's natural beauty and heritage,” she explains. “Together, we're preserving the wild and working lands that make Florida so special for generations to come.”

The Tax Benefits of Forever

While the emotional value of preserving your land is immeasurable, the financial perks are equally compelling. Conservation easements offer a suite of tax advantages, including income, property, and estate tax benefits.

In 2015 Congress enacted one of the most powerful conservation measures in decades: the enhanced federal tax incentive for conservation easement donations. The conservation easement tax incentive is a powerful tool that helps Americans conserve their land voluntarily.

1. Federal Income Tax Deductions: Landowners donating a qualified conservation easement can deduct up to 50% of their annual income, with carry-forward provisions extending for an additional 15 years. Farmers and ranchers can deduct up to 100% of their income under this program.

For example, a landowner earning \$50,000 annually who donates a \$1 million easement could deduct up to \$25,000 annually for up to a total of 16 years, for a total of \$400,000 in deductions. If the landowner qualifies as a farmer or rancher, that total could rise to \$800,000.

2. Estate Tax Reductions: Easements lower the taxable value of estates, reducing the financial burden on heirs and facilitating the seamless transfer of land across generations.

3. Potential Property Tax Savings: Florida passed a law to implement the 2008 Amendment 4 voter referendum. This

What is a Conservation Easement?

A conservation easement is a voluntary legal agreement between a landowner and a qualified conservation organization, such as a land trust, or government agency that permanently limits a property's uses in order to protect its conservation values. Conservation easements are usually donated, but can be sold.

An easement on a horse farm in Marion County protects more than just the land and unique limestone soils; it preserves the equestrian way of life and the horse sport industry.

law became in effect in 2010 and it reduces property taxes on land that is forty acres or greater and under a permanent conservation easement.

How Horse Farms Forever Helps

Horse Farms Forever serves as a bridge, connecting landowners to organizations like Conservation Florida that specialize in crafting conservation easements. Their mission goes beyond inspiring the conservation of horse farms; it's about securing the future of the Farmland Preservation Area, a 193,000-acre expanse under increasing development pressure, by serving as a catalyst for land conservation and good comprehensive planning.

“Many people don't realize that the farms in the Farmland Preservation Area are only protected by zoning, which can be changed by the County Commission,” said Busy Shires, Director of Conservation for Horse Farms Forever. “With a conservation easement, their farms are protected forever.”

Making the Choice

Committing to a conservation easement is more than a financial decision—it's a promise to future generations. It's a statement that your land, your legacy, will endure. And thanks to the enhanced federal tax incentives and organizations like Horse Farms Forever and Conservation Florida, that promise is more attainable than ever.

Whether driven by the heart or the balance sheet—or both—conservation easements are a win-win for Florida's equestrian landowners. After all, forever isn't just an ideal; it's a plan.

\$1 Million Conservation Easement



**A LANDOWNER
EARNING
\$50,000/YR**

**RECEIVES \$25,000 DEDUCTION
(50% OF INCOME) FOR THE
YEAR OF THE DONATION...**

**...AND FOR 15 YEARS
AFTER, RESULTING IN A
TOTAL OF \$400,000 IN
DEDUCTIONS.**



If the landowner is a farmer or rancher, he or she can deduct \$50,000 (100% of income) in the first year and then for each of the following 15 years, realizing a maximum of \$800,000 in deductions.

How Does Conservation Florida Work?

Conservation Florida is an accredited, nonprofit land conservancy dedicated to conserving the Sunshine State's water, wildlife, wild places, and connecting a functional Florida Wildlife Corridor. Since 1999, Conservation Florida and its landowner partners have permanently protected more than 35,000 acres from Pensacola to the Florida Keys.

Working in partnership with landowners, organizations, and agencies, Conservation Florida identifies, acquires, and manages lands of high conservation value. Many of these lands are placed under conservation easements, ensuring they remain shielded from future development while preserving wildlife habitat and supporting the well-being of both current and future Floridians.

