

# MONTANA ASSOCIATION OF LAND TRUSTS

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Land Trust,  
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Montana Land  
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The Nature  
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Elk Foundation,  
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## AFFILIATE MEMBERS

Missoula County  
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Land Trust  
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Montana Fish,  
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## Montana Land Trusts Praise Efforts Against Syndication of Conservation Easement Benefits

The Montana Association of Land Trusts today voiced strong support for Montana Senator Steve Daines' and the Land Trust Alliance's leadership on and commitment to introduction of the Charitable Conservation Easement Program Integrity Act of 2019.

"The entire Montana Association of Land Trusts membership applauds Senator Daines and the Land Trust Alliance for their partnership in support of the Charitable Conservation Easement Program Integrity Act," said Glenn Marx, Executive Director of the Montana Association of Land Trusts (MALT). "From a Montana and national private land conservation perspective, this legislation is key to stopping abusive syndicated transactions while ensuring that tax incentives for land conservation remain available for landowners to help conserve open lands, family farms and ranches, wildlife habitat and so much more."

The Charitable Conservation Easement Program Integrity Act of 2019, S. 170, would seek to end abusive conservation easement syndication schemes by limiting qualifying conservation donative contributions to those transactions that do not exceed 2.5 times (250%) of the partner's adjusted basis. The bill excludes family owned partnerships from the proposal. The IRS recently informed the Senate Finance Committee that \$20 billion has been deducted through these abusive syndicated partnerships from 2010 to 2016, which costs taxpayers an estimated \$8 billion.

"From a Montana private land conservation perspective, this legislation is key to stopping this abuse while ensuring that tax incentives for conservation remain available for farmers and ranchers across the state," said Kendall Van Dyk, a Managing Director of The Montana Land Reliance.

MALT sent a letter to the IRS in December 2018 applauding IRS efforts in opposition to easement syndication, and was pleased to see recent IRS and Department of Justice actions related to announced audits and filed complaints against syndicators. MALT believes, however, that the financial incentives made possible through abusive syndicated transactions appear to be too tempting for these opportunistic syndication operators to pass up. That is why MALT strongly supports quick and resolute congressional action and passage of the Charitable Conservation Easement Program Integrity Act.

"This legislation is timely and essential," said Andrew Bowman, President of the Land Trust Alliance. "Sen. Daines and Sen. Stabenow are working together – with the support of 1,000 nonprofit land trusts across our nation – in the best tradition of sensible bipartisan cooperation to get this done. Their leadership on this issue sends a clear message that conservation easements are not to be used as tax shelters. I look forward to this bill's passage."

Senator Daines is a newly appointed member of the Senate Finance Committee, which works on federal tax policies and IRS issues. Daines has also worked with MALT, Montana land trusts and national conservation organizations on the Land and Water Conservation Fund, the 2018 Farm Bill and other federal conservation and public land management issues.

Montana is a national leader in private land conservation, and land trusts have been working with Montana landowners to voluntarily create conservation easements for over 40 years, conserving land and water and helping maintain the essence and character of Montana.

In the previous Congress, Montana Senator Jon Tester and Congressman Greg Gianforte both cosponsored the Charitable Conservation Easement Program Integrity Act, and MALT is hopeful they will cosponsor the legislation in the current Congress as well.