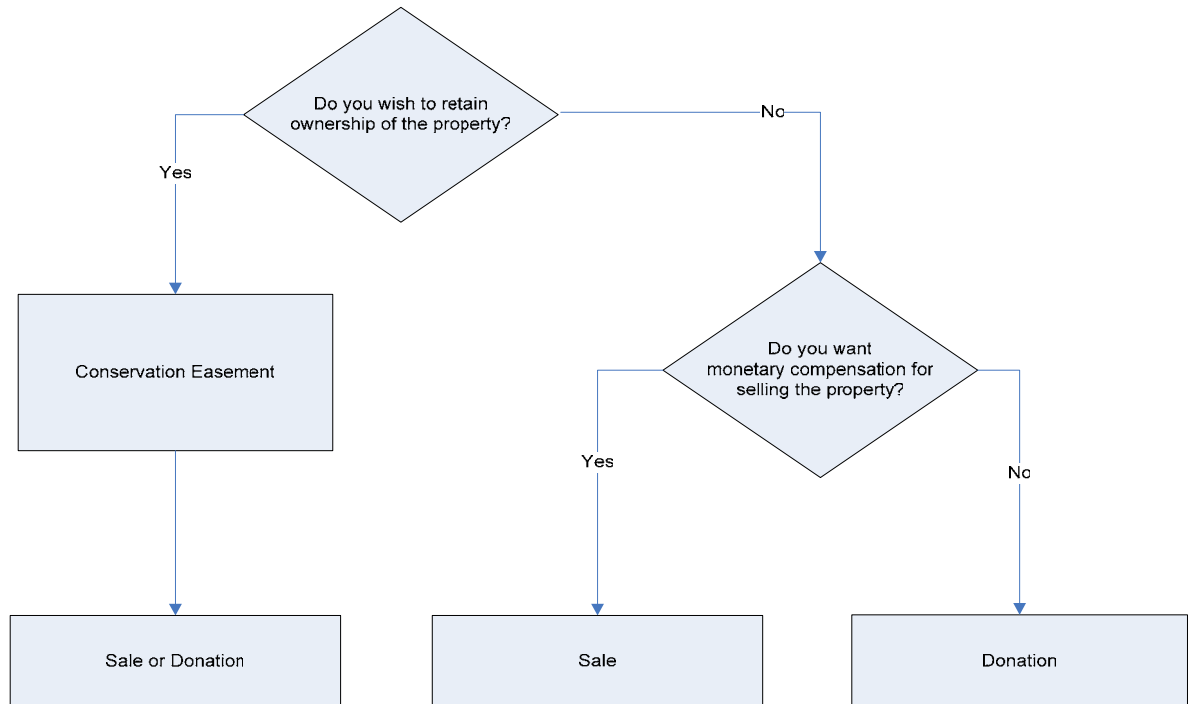


Landowner Options

In North Carolina, landowners have a range of options when participating in conservation programs. The decision tree below can help interested landowners to determine best options for participation in EEP projects.



Option	Description	Advantages	Disadvantages
Conservation Easement	Legal agreement to place restrictions on the type and amount of development that may take place and to protect significant natural features, including water quality and habitat.	<ul style="list-style-type: none"> • Can provide income, estate, and some tax benefits • Owner may retain ownership • Some restrictions may be adapted to fit needs of landowner • Provides permanent protection • Can be donated or sold 	<ul style="list-style-type: none"> • Involves giving up some rights to use of the property • Landowner retains responsibility for taxes
Sale	There are three options: <ul style="list-style-type: none"> • Sale at full market value • Bargain sale (landowner sells below fair market with difference being a donation) • Installment sale 	<ul style="list-style-type: none"> • Full market allows landowner to receive full value for property • Bargain sale may make landowner eligible for tax deduction and reduce capital gains • Installment sale defers tax on capital gains until purchase money is actually in hand 	<ul style="list-style-type: none"> • If land value has appreciated since it was purchased at full market value, the landowner will be liable for income tax on the capital gain • Reduced initial payment (if purchased as bargain or installment sale)
Donation	Outright donation; gives full title and ownership to the conservation organization, either of an easement or donation of full title.	<ul style="list-style-type: none"> • Excellent way to provide total conservation protection of property • Landowner may receive tax deductions • May reduce estate taxes 	<ul style="list-style-type: none"> • Landowner gives up potential income from sale of the land • Landowner is responsible for property taxes if they remain in possession of the land

For more information on landowner options, call (919) 715-0476 to speak with a property specialist.

