



## **Conservation Easement Appraisal Reviews Questions & Answers**

### **July 21, 2014**

**Question #9: Can an applicant or donor be grandfathered under the old policy if the application was submitted before the new policy became effective?**

Answer: The new Policies/Required Items/Checklist (collectively “Policies”) became effective July 1, 2014. For any future application with the appraisal dated before July 1, 2014, the pre-July 2014 policies will be followed. And for any CE or donation application with an appraisal report dated July 1, 2014 or later, the new policies will be followed.

**Question #8: Landowner is donating an easement later this year. It is on two parcels, and each has a survey. They will omit a small tract that is already depicted on one of the surveys. Is this acceptable since the plat clearly delineates both the CE area and area to be left out? Is a separate survey just for the easement donation needed?**

Answer: The new survey requirement was added because the maps and written legal descriptions included with previous applications were found inadequate in determining what was being donated or appraised, and it was either impossible or extremely difficult to determine whether the submitted value of the donation was acceptable. If both surveys clearly show the CE area and any legal access each could be used. If one survey also has a clearly described “out” area (small tract to be omitted) and that area can be separately described, that survey would be acceptable to SPC as well.

**Question #7: What should a landowner do who has already completed an easement in 2013 and is about to apply for the state credit after July 1, 2014 but doesn’t have a survey? The landowner who is in this situation does not have any outparcels – everything is in the CE.**

Answer: If a survey was completed, but not recorded with the CE or QD, such survey may be acceptable as long as it is clear, legible and specific in describing the area donated and any access and area included in the appraisal. If the unrecorded survey is complex, we may require that a surveyor certify the locations of the legal description of the donated property, and any appraised property and access easement on the ground, or we may require a new survey.

**August 29, 2013**

**Question 6: If the donor's disclosure letter includes the required statement regarding the use of the appraisal as stated below:**

**“Landowner/Donor acknowledges that the intended user of the SPC Appraisal Review is the State of Georgia for purposes of both the Georgia tax credit and any amount that is allowed to be deducted in arriving at Georgia taxable income; specifically not the Federal Government nor the Internal Revenue Service (IRS).” Is it then OK if the appraisal itself says that it is for use by the IRS, in reference to federal tax benefits? That is, the SPC review is strictly for the tax credit program, but the appraisal document itself can be used for federal tax credit and can contain words that say this.**

Answer: As long as the appraisal and letter acknowledge that the State review is only for the GA tax credit and any amount allowed to be deducted in arriving at Georgia taxable income, the appraisal can also say it would be used for federal tax credit. The first phrase serves to define that for GA purposes, the approved amount is what Georgia will use.

**Question 5\*\*:** **Would it be useful if in the appraisal they put the number of the item from the checklist next to the appropriate paragraph(s)?**

Answer: Again, if the appraiser wants to do that, it would make the review easier, but is not required.

**Question 4\*\*:** **Is there an expectation that the order of things in an appraisal matches the order of things on the checklist?**

Answer: If the appraiser wants to do that, it would make the review easier, but is not required.

**June 25, 2013**

**Question 3: Does a donor have to use the SPC approved (or recommended) value for the charitable deduction on the Georgia return INSTEAD of the value submitted to the IRS (if different)?**

Answer as provided by Georgia Department of Revenue: To the extent the deduction is allowed on the Georgia return (the amount in excess of the amount used in computing the credit as provided in Georgia Department of Revenue's regulation), it would be based on the value determined by SPC. Please be advised that this information is provided in response to your specific inquiry and that the views expressed are the unofficial views of the writer only. An official letter ruling may be obtained by following the procedures set out at [https://etax.dor.ga.gov/TaxLawandPolicy/TLP\\_Policy\\_Statement\\_SUT\\_2007-11-14.pdf](https://etax.dor.ga.gov/TaxLawandPolicy/TLP_Policy_Statement_SUT_2007-11-14.pdf)

**June 19, 2013**

**Question 2: The Department of Natural Resources (DNR) manages the Conservation Easement program for the State and certifies the conservation eligibility of any CE submitted. What required documents are needed for CE appraisal review and should they be transmitted electronically or in print to DNR?**

Answer: Documents must be transmitted electronically to DNR. The documents DNR will provide to SPC for CE appraisal review are: CE Appraisal, Appraiser Affidavit, Landowner Letter, Baseline, recorded CE, and recorded CE plat or other verifiable CE area definition.

**June 18, 2013**

**Question 1: SPC Policy's Required Items for Conservation Easement (CE) Appraisals requires that the appraiser provide a signed "Conservation Easement Appraisal Affidavit". Will SPC provide an affidavit form?**

Answer: SPC will not provide a form Affidavit, but all requirements in the Policy's Required Items section B.4 must be incorporated in the Appraiser's Affidavit when it is submitted.