



Please support the Conservation Land Tax Credit Amendment #770 to the FY24 Senate Ways & Means Budget

Please cosponsor and join in bipartisan support of Amendment #770, filed by Senator Tarr, to expand the **Conservation Land Tax Credit** to conserve Natural and Working Lands for water supply protection, wildlife habitat, working farms and forests and as an essential strategy to help meet the state’s ambitious Net Zero by 2050 climate change goals.

Amendment #770 proposes a modest, incremental increase to the annual cap from \$2 million to \$5 million over 3 years; and a sunset of the enhanced credit in 10 years.

Since 2011, the highly successful CLTC program has protected over 15,500 acres and leveraged **\$90 million in gifted lands** costing \$22 million in incentives (\$1 in state funds = over \$4 in donated value).

The CLTC program is in high demand. Due to the \$2 million annual cap, as of February 2023, there were 61 projects on the state’s wait list, delaying and potentially preventing the conservation of over 1,700 acres. The **two+ year waitlist** is halting opportunities for private landowners hoping to conserve natural resources and preventing municipalities and partner land trusts from receiving donations of critical natural resources. The annual cap causes a chilling effect on this highly successful program, preventing the conservation of Natural and Working Lands needed to help Massachusetts to meet Net Zero by 2050.

Clean Energy and Climate Plan Goal: Conserve and Manage 25,000+ acres per year.

The state’s climate law includes a mandate to use Natural and Working Lands to reach Net Zero climate goals by 2050.¹ The 2030/2050 Clean Energy and Climate Plan (CECP) specifically calls for the protection of **40% of the state’s lands and waters by 2050 - at least 25,000 acres annually**. The CECP’s and Resilient Lands Initiative Vision’s policy recommendations call for the CLTC cap to be increased, due to the program’s success, cost-effectiveness, and ability to sequester and store carbon.²

There is an unprecedented transition in land ownership across the state, and many landowners who want to conserve their natural and working lands cannot wait, as they have pressing financial needs. Due to the lengthy wait time, state agencies, municipalities, and land trusts rely on scarce public and private funds to protect land and water and miss an opportunity to leverage the tax incentive. Money is sometimes left on the table, and instead of protecting critical water supply protection lands, wildlife habitat, working lands (such as farm and forests) and carbon rich natural resources, those lands are permanently converted for development.

¹ <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter21N> section 1 and section 5

² Massachusetts’ forests currently sequester carbon equal to about 7% (4.6 million metric tons CO2e) of the state’s gross greenhouse gas emissions each year, with the potential to do much more.

Conserving land and water for future generations

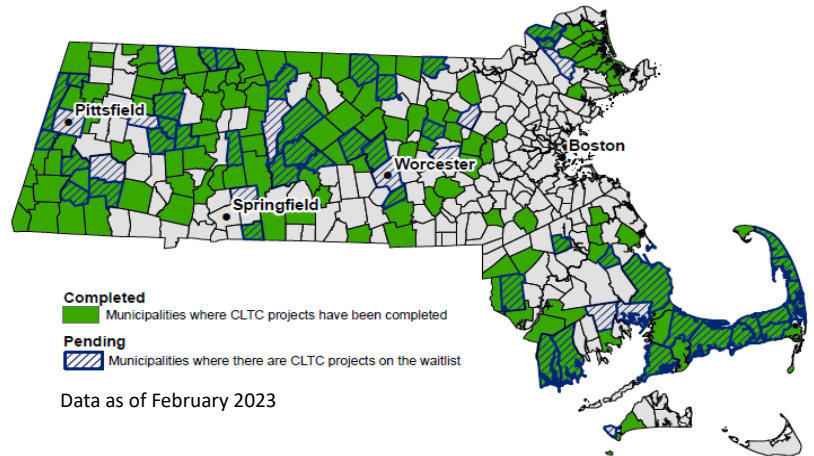
The CLTC is a refundable tax credit, which is critical for low-income landowners. According to the Department of Revenue, 67% of landowners who participated in the program in 2019 had an adjusted gross income under \$200,000. These “land rich, cash poor” property owners cannot wait indefinitely and sell carbon-rich land for development purposes.

CLTC Successes

Despite the annual cap, over 13 years, the CLTC has helped conserve over **15,500 acres** across 150 municipalities, including working farms and forests, drinking water supply lands, urban parks and trails, and fish and wildlife habitat.

Donations have been received by:

- **58 cities and towns**
- **47 land trusts**
- **State conservation agencies**



With a cap increase, the CLTC program can more than double its impact.

Program Background

Launched in 2011, the CLTC program allows taxpayers to apply for a state income tax credit for qualified donations of certified land. The certification process is conducted by the Executive Office of Energy and Environmental Affairs for land that is permanently protected and has significant conservation value, such as water quality, farming and forestry, and wildlife protection.

Each credit is equal to 50% of the fair market value of the qualified donation up to a maximum credit of \$75,000. The tax credit is refundable, which is important for low-income landowners. If the credit exceeds taxes due, then the donor receives a refund check for the difference. State agencies, land trusts, conservation organizations and municipal officials play a key role in assisting landowners throughout the donation process.

Amendment #770 filed by Senator Tarr to the Senate Ways and Means Budget will modestly increase to the annual cap from \$2 million to \$5 million over 3 years; and sunset the enhanced credit in 10 years.

*Please cosponsor Amendment #770
Thank you!*

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