

**REPORT OF THE DEPARTMENT OF CONSERVATION AND  
RECREATION**

**Calendar Year 2014 Land Preservation  
Tax Credit Conservation Value Summary  
(including an update of the 2012 and 2013  
Summaries)**

**TO THE GOVERNOR AND  
THE CHAIRMEN OF THE SENATE FINANCE  
COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE,  
AND THE HOUSE COMMITTEE ON FINANCE**



**COMMONWEALTH OF VIRGINIA  
RICHMOND  
December 2015**



Molly Joseph Ward  
*Secretary of Natural Resources*

Clyde E. Cristman  
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December 22, 2015

The Honorable Terence McAuliffe, Governor of Virginia  
The Honorable Walter A. Stosch and Charles J. Colgan, Co-Chairmen, Senate Finance Committee  
The Honorable S. Chris Jones, Chairman of the House Committee on Appropriations  
The Honorable R. Lee Ware, Chairman, House Committee on Finance

Dear Governor McAuliffe, Senator Stosch, Senator Colgan, Delegate Jones, and Delegate Ware:

We are pleased to provide you with this report prepared in accordance with Virginia's Land Conservation Incentives Act ( [§§ 58.1-511 through 58.1-513 of the Code of Virginia](#)). Subdivision (C)(2) of  [§ 58.1-512](#) of the Act requires the Department of Conservation and Recreation (DCR) to compile an annual report on qualified tax credit donations of less-than-fee interests in land accepted by any qualified public or private conservation agency or organization. This report focuses on those donations made between January 1, 2014, and December 31, 2014, for which a taxpayer requested a Land Preservation Tax Credit (LPTC) within the \$100,000,000 cap, established pursuant to Virginia Code  [§ 58.1-512.D.4.a.](#), for tax year 2014. Also included in this report is an update of the 2012 LPTC cap of \$111,054,000 and the 2013 LPTC cap of \$100,000,000, which both carried a balance forward through the end of 2014.

The Virginia LPTC program continues to be the key factor behind the land conservation successes the Commonwealth has realized to date. The transferability of the LPTC has proven to be a valuable incentive to persons voluntarily protecting working farms and forests, recreational lands, scenic viewsheds, historic sites, and natural areas. A two percent fee on the transfer of tax credits now provides much needed support to land trusts and other conservation agencies and organizations for their ongoing responsibilities for the hundreds of thousands of acres of conserved lands they steward.

DCR is charged with reviewing LPTC applications for one million dollars or more to verify the conservation value of the donation (Va. Code  [§ 58.1-512D.3.a.](#)). DCR's review process is both responsive and timely, and serves as an important oversight tool for the Commonwealth to ensure that

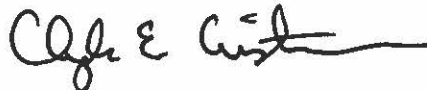
The Honorable Terence McAuliffe, Governor of Virginia  
Members of the Virginia General Assembly  
December 22, 2015  
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the lands protected have significant conservation value and that the natural and historical resources they contain will be adequately protected into the future.

DCR's verification of tax credit applications utilizes conservation review criteria adopted by the Virginia Land Conservation Foundation (VLCF). The criteria ensure that the conservation easements will require, where applicable: a forest management plan, development and implementation of an agricultural conservation plan, visual public access to scenic resources, establishment of riparian buffer areas to protect water quality, protection of resources listed on the Virginia Landmarks Register or the National Register of Historic Places, and that known natural heritage resources are also protected. Additionally, DCR's review certifies that the voluntary easements meet VLCF criteria aimed at safeguarding long-term conservation values of the property, prohibiting intentional harm to the conservation values of the property, and ensuring that the conservation value of the property will not be adversely affected by future on-site development. Such reviews of the easements significantly improved the conservation quality of the donations made under Virginia's tax credit program.

We trust that this report fulfills the required statutory obligations and demonstrates the importance of the Land Preservation Tax Credit Program.

Respectfully submitted,



Clyde E. Cristman

**Attachment**

cc: Virginia Land Conservation Foundation Board of Trustees  
The Honorable Molly Joseph Ward, Secretary of Natural Resources  
Daniel Timberlake, Director, Department of Planning and Budget  
Craig M. Burns, Commissioner, Department of Taxation  
Elizabeth Daley, Staff Director, Senate Finance Committee  
Robert P. Vaughn, Staff Director, House Appropriations Committee

## PREFACE

This report has been prepared in accordance with and fulfills the requirements of:

§ 58.1-512.C.2. of the Code of Virginia (Virginia's Land Conservation Incentives Act), which requires the Department of Conservation and Recreation to compile an annual report on qualified tax credit donations of less-than-fee interests accepted by any public or private conservation agency. This report covers those donations for which taxpayers claimed Land Preservation Tax Credits between January 1, 2014, through December 31, 2014, within the 2014 cap of \$100 million established by Virginia Code § 58.1-512.D.4.a. Also included is an update on the remaining balance of the 2012 cap of \$111,054,000, and the 2013 cap of \$100,000,000; both years carried balances forward into 2014.

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## EXECUTIVE SUMMARY

The Virginia Land Preservation Tax Credit (LPTC) Program has proven to be a valuable incentive for landowners interested in voluntarily conserving their property through perpetual conservation easements or fee-simple donations. The transferability feature of Virginia's tax credit program is especially valuable to landowners with little or no state income tax liability, enabling them to sell their tax credits for income. Responsibilities for oversight of the LPTC program are shared by the Virginia Department of Taxation (TAX) and the Virginia Department of Conservation and Recreation (DCR).

Virginia's Land Preservation Tax Credit Program began in January 2000 and continues to advance the preservation of important lands across the Commonwealth. TAX's records indicate that as of October 31, 2015, land owners have received tax credits for permanently protecting 741,785 acres across the Commonwealth through 3,401 land donations since program inception. The appraised value of this conserved acreage is about \$3.86 billion, with land owners receiving \$1.44 billion in tax credits.

DCR's review of LPTC applications for \$1 million or more began in January of 2007. As directed by § 58.1-512 D.3.a. of the Code of Virginia, DCR follows the Conservation Value Review Criteria as adopted by the Virginia Land Conservation Foundation to verify the conservation value of donated land or conservation easements. This verification process serves as an important tool for the Commonwealth to ensure that the lands protected have worthy conservation values and that their natural and historical resources are adequately protected in perpetuity.

The tax credit report contained herein provides an updated accounting of the remaining balance for the 2012 Land Preservation Tax Credit cap of \$111,054,000 and the 2013 cap of \$100 million, as established by § 58.1-512.D.4.a. of the Code of Virginia. The report also summarizes the land donations for which landowners applied for 2014 Land Preservation Tax Credits, within that year's cap of \$100 million. Legislative changes enacted during the 2015 Session of the Virginia General Assembly now close the LPTC cap at the end of every calendar year. So, as of January 2015 if a cap is not expended by the end of the calendar year the balance will be closed out and will no longer carry forward.

Based on information provided to DCR from TAX, for 2012, a total of 227 applications were granted \$64,084,200 in land preservation tax credits protecting 45,268 acres. LPTC applications for land donations recorded in 2012 or earlier and received by TAX through December 31, 2014, are included in the 2012 portion of this report. For the 2013 cap, there were 234 applications that were granted \$78,882,596 in land preservation tax credits protecting 64,890 total acres. For the 2014 cap, TAX received 91 applications that were granted \$38,123,803

protecting 24,214 acres. For these two latter years, LPTC applications recorded in 2013 and 2014 received by TAX through December 31, 2014, are included in these sections of the report respectively. The unexpended balances for these three LPTC caps were retired by TAX on January 1, 2015, pursuant to [Chapter 680 of the 2015 Virginia Acts of Assembly](#) (SB 1019).

For the 2012 LPTC, taxpayers in 73 localities claimed a tax credit. The largest number of individual donations occurred in Albemarle County with 19 properties. The greatest total acreage preserved occurred in Smyth County with 2,787.30 acres. Loudoun County land owners requested the largest amount of total tax credit dollars at \$8.89 million.

For the 2013 LPTC, taxpayers in 70 localities claimed a tax credit. The largest number of individual donations occurred in Fauquier County with 13 properties. The greatest total acreage preserved occurred in Essex County with 5,518.12 acres. Loudoun County land owners requested the largest amount of total tax credit dollars at \$9.62 million.

For the 2014 LPTC, taxpayers in 45 localities claimed a tax credit. The largest number of individual donations occurred in Fauquier and Loudoun Counties with seven properties each. The greatest total acreage preserved occurred in Charlotte County with 3,400 acres. Fauquier County land owners requested the largest amount of total tax credit dollars at \$4.37 million.

In the 2014 LPTC program, of the eight conservation purposes that a landowner can claim to be eligible for a LPTC, approximately 81.08 percent of the total acreage preserved were claimed to be in the Scenic Open Space category. Applicants may claim more than one conservation purpose and many in fact do, however it is not necessary in order to request or qualify for the LPTC program. The other prominent categories claimed were: Forestal Use at 70.49 percent of the total acreage, Agricultural Use at 41.44 percent, and Watershed Preservation at 37.36 percent. The remaining purposes claimed in order of rank were: Natural Habitat and Biological Diversity at 31.72 percent; Lands Designated by the Federal, State, or Local Government at 23.17 percent; Natural Resource Based Outdoor Education and Recreation at 8.48 percent; and Historic Preservation at 7.95 percent of the total acreage.

As reported by land owners in their LPTC application packages to TAX, under the 2014 cap about 4,418 acres of active agricultural land and 10,052 acres of active forestal land were conserved. Within the LPTC application, land owners are also asked to report on the total length of riparian buffers with a minimum width of 35 feet required in their donated easements or gifts of land. The applications for 2014 indicate a total length of 499,870 linear feet of forested buffers and 19,206 linear feet of no-plow buffers along rivers, streams, wetlands, ponds, springs, and shorelines. The two different categories of buffers are differentiated by the types of activities that are restricted or allowed within the conservation easement or deed of gift.

Activities such as mowing or timber harvesting are restricted in forested buffers, but are allowed within no-plow buffers to maintain non-woody vegetation such as pasture or grasslands.

In 2014, the Virginia Land Conservation Foundation (VLCF) distributed dedicated funding to land conservation agencies and organizations for their stewardship efforts. Pursuant to the authority granted in Virginia Code § 58.1-513 C.2., the VLCF Board of Trustees distributed a total of \$1,088,822 in stewardship funds to 47 land trusts, conservation organizations, and agencies to support their ongoing monitoring and enforcement of donated lands. The dedicated funding is generated from a two percent fee imposed on the sale of LPTCs.

In addition to the responsibility to prepare an annual LPTC report, DCR is also charged with conducting reviews of the Conservation Value of LPTC requests of one million dollars or more (based on a 40% credit for a donation valued at \$2.5 million or greater) and with verifying the conservation value of these donations in advance of TAX issuing a land preservation tax credit. DCR's review is carried out in accordance with criteria adopted by the VLCF for this purpose. In 2014, DCR reviewed and commented on the conservation value associated with 14 LPTC applications that were above the one million dollar review threshold.

DCR's oversight continued to enhance the Commonwealth's efforts to ensure the conservation value of properties applying for the LPTC. DCR's review process resolved a number of issues with applications that would have negatively affected the donation's conservation value if the applicants had recorded their deeds as originally submitted during DCR's pre-filing review. In addition, DCR's review helped to ensure that persons eligible for one million dollars or more in state land preservation tax credits also addressed water quality and forest stewardship protections associated with their conserved lands. Although state law allows DCR 90 days to complete its review, DCR took 16 days on average to review a pre-filing application (including a site visit) and approximately two days to verify the conservation value of final applications.

# LAND PRESERVATION TAX CREDIT OVERVIEW FOR CY2014

## Land Conservation Tax Credit Program Overview

Virginia's land preservation tax credit (LPTC) program is considered to be one of the most effective conservation tools available in the Commonwealth. Since its beginning in January 1, 2000, Virginia's tax credit program continues to leverage significant private investment to attain noteworthy land conservation levels every year. As of October 31, 2015, the Virginia Department of Taxation's (TAX) records indicated that a total of 741,785 acres of land appraised at about \$3.86 billion have been protected through 3,401 donations representing \$1.44 billion in tax credits. This extensive level of tax credits, as well as the number of land donations and acres conserved, demonstrates great public interest and participation in this valued tax credit program.

Thirteen other states currently provide state tax incentives for donations of conservation easements (Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Iowa, Maryland, Massachusetts, Mississippi, New Mexico, New York, and South Carolina). Four of those states also provide for transfer of those credits (Colorado, Georgia, New Mexico, and South Carolina), but Virginia's tax-credit program is by far the largest in dollar value of property conserved. In Virginia, this is a program that has enormous land conservation benefits.

As a result of legislative amendments enacted in 2006, effective January 1, 2007, the LPTC program was capped at \$100 million per year, with donations in excess of the annual cap to be rolled over to subsequent years. The amount of the tax credit cap was adjusted annually to the Consumer Price Index, increasing to \$102.3 million in 2008; \$106.6 million in 2009; \$106.8 million in 2010; \$108.4 million in 2011; and \$111.1 million in 2012. Additionally in 2006, the amount of tax credits that can be requested for any land donation was limited to 40 percent of the fair market value of the qualified donation - reduced from the previously allowed 50 percent. These compromises represented a diminution in the state's peak annual tax credit expenditures, which reached \$155.9 million in tax year 2005 and \$247.8 million in 2006, but still allowed for an exemplary program that the state can budget for into the future.

In the 2013 Legislative Session, the cap was further modified. [Chapter 798 of the 2013 Virginia Acts of Assembly \(HB1398\)](#) directed that, beginning with calendar year 2013, the maximum annual amount of land preservation tax credits that could be issued to taxpayers was lowered to \$100 million. However, the \$100 million was to continue to be annually indexed. The intent of the legislation was for the Governor to include in the Budget Bill or in his amendments to the general appropriation act a recommended appropriation from the general fund in an amount equal to the difference between the indexed amount and \$100 million, to be appropriated as follows: 80 percent of the unissued credits to the Virginia Land Conservation Fund; 10 percent to the Civil War Site Preservation Fund; and 10 percent to the Virginia Farmland Preservation Fund.

The LPTC program saw further revisions again during the 2015 Legislative Session. While these changes do not affect the data presented in this 2014 summary, subsequent LPTC reports will be notably streamlined as any unused balance from each year's pool of tax credits will now be closed out at the end of the calendar year. No balances will be carried forward, such as the 2012 and 2013 balances included in this 2014 summary. [Chapter 680 of the 2015 Virginia Acts of Assembly](#) (SB 1019) also amended other aspects of the program by (i) reducing the annual tax-credit cap from \$100 million to \$75 million; (ii) with the exception of credits issued for fee simple interest donations, reducing the maximum amount of the tax credits that can be claimed by a tax payer from \$100,000 in 2014 to \$20,000 in 2015 and 2016 and \$50,000 for each year thereafter; and (iii) requiring that a complete application for the tax credit be filed with TAX by December 31 of the year following the year of the conveyance.

### **Benefits of the Land Preservation Tax Credit DCR Review**

DCR reviews LPTC applications for \$1 million or more as directed by the Code of Virginia ([§ 58.1-512D.3.a.](#)). Conservation Value Review Criteria was adopted by the Virginia Land Conservation Foundation for DCR to verify the conservation value of donated land and conservation easements. The VLCF Board adopted the LPTC Conservation Value Review Criteria in November 2006, and amended them on August 7, 2008, and March 27, 2009. The review criteria encompass three factors, which taken together make up the Conservation Value of the donated land. The three factors are (i) Conservation Purpose, (ii) Public Benefit, and (iii) Water Quality and Forest Management. The review criteria are based on [IRS Code § 170\(h\)](#) and provisions set out in [§ 58.1-512](#) of the Code of Virginia, and contain specific requirements that reflect state policy.

The first factor of the criteria is Conservation Purpose. DCR assesses the land being conserved and the legal documents submitted to verify the purpose for which it is being conserved; i.e., what conservation purposes are being protected by the conservation easement that will be of value to the Commonwealth. Applicants only need to satisfy one of the eight potential Conservation Purposes; however, many select more than one to reflect the multiple attributes of their donated land. The eight Conservation Purposes identified in the criteria are:

1. Agricultural Use;
2. Forestal Use;
3. Natural Habitat and Biological Diversity;
4. Historic Preservation;
5. Natural-Resource Based Outdoor Recreation or Education;
6. Watershed Preservation;
7. Preservation of Scenic Open Space; and
8. Conservation and Open Space Lands Designated by Federal, State, or Local Governments.

There are several options for meeting each Conservation Purpose and designated safe harbors are provided to satisfy each purpose. If a donation meets a safe harbor then the donation fulfills the specific Conservation Purpose. For example, within the Conservation Purpose of Agricultural Use, land that a locality has designated as being subject to use value taxation is deemed to have a valid Agricultural Use Conservation Purpose. Within the Conservation Purpose of Historic Preservation, a battlefield individually listed in the Virginia Landmarks Register or the National Register of Historic Places is also deemed to have a valid Historic Preservation Conservation Purpose.

Conversely, some land uses may be specifically ruled out of certain Conservation Purposes. For example, public recreation lands where development covers more than 15 percent of the site, such as with amusement parks or private beaches, will not meet the Conservation Purpose of Natural-Resource Based Outdoor Recreation or Education.

The second factor of the criteria, Public Benefit, ensures that safeguards exist in the proposed deed to protect the conservation values of the donated land in perpetuity, prohibit intentional destruction or significant alteration of the conservation values of the protected property, and ensure that the conservation value of the property will not be adversely affected by future division or development. The deed of easement must contain the following restrictions:

1. Limits on the number of permitted subdivisions of property;
2. Limits on number and size of permitted new buildings and structures;
3. Restrictions on location of new buildings and structures;
4. Restrictions on location of new roads or access ways; and
5. Limits on alterations, demolition, or ground-disturbing activity that may impact historic or natural heritage resources.

The final factor of the Conservation Value Review Criteria is Water Quality and Forest Management. This factor focuses on protection of water quality and the stewardship of agricultural and forest lands. Concerning the protection of water quality, if the property contains wetlands, frontage on a perennial stream or river, lakes, or tidal waters, then the deed must require a 35-foot riparian buffer that prevents certain activities determined to be impactful of water quality. In addition, if the property contains lands in agricultural use, then the deed must provide for the implementation of a written agricultural conservation plan that stipulates the use of best management practices. If the property contains 20 acres or more of forest lands, the deed must require that a written forest management plan or Virginia Forest Stewardship Plan be in place prior to the commencement of timber harvesting or other significant forest management activities. This plan is to be developed by or in consultation with the Virginia Department of Forestry or be consistent with Forestry Best Management Practices.

## **2014 Review of the Conservation Values of Land Preservation Tax Credits**

DCR is responsible for conducting reviews of the Conservation Value for LPTC requests of one million dollars or more (based on 40 percent of the fair market value of a land donation valued at \$2.5 million or greater) and for verifying the conservation value of these donations in advance of TAX issuing a land preservation tax credit. This review is performed in accordance with Conservation Value Review Criteria adopted by the VLCF for this purpose.

As part of its pre-filing review process, in 2014 DCR reviewed and commented on the conservation value associated with 14 LPTC applications. The Agency provides this pre-file review service to taxpayers so that any potential issues can be resolved prior to the recordation of a donation and submission of a final LPTC application. Of the 14 pre-filing applications that DCR reviewed, six final applications were filed with TAX in 2014 requesting \$16.18 million in tax credits for a combination of 4,245 acres. These six DCR-reviewed applications represent 6.59 percent of the total number of applications, 17.53 percent of the LPTC acres preserved, and 42.45 percent of the total dollar value requested under the 2014 cap.

The remaining eight sites reviewed in 2014 by DCR did not file for tax credits by the end of the year due to a variety of reasons. One of the reasons was timing, as four of the applicants proceeded to record their land donations and apply for tax credits in 2015. Two landowners requested their applications be withdrawn from the application process and two may have been delayed for other reasons, including the uncertainty of the federal conservation tax incentive difficulties with bank subordinations, concerns with land appraisal values, or other financial issues.

The objective of DCR's review is to ensure a basic level of protection for all of the known conservation resources of the property at the time of the donation in accordance with the VLCF Conservation Value Review Criteria. DCR's reviews resulted in considerable modifications to many of the applications submitted to the Agency. Through the collaborative pre-filing review process DCR and the applicants were able to resolve a number of substantial issues with the applications that could have negatively affected the land donation's conservation value if the donation had been recorded as submitted. Applicants modified their draft deeds following the DCR review process to ensure the appropriate protection of the conservation values of the properties in perpetuity as follows:

- For Forestland, deeds were modified to require a forest management plan for all forest management and harvesting activities;
- For Farmland, deeds were modified to require the development and implementation of an agricultural conservation plan;
- For Water Quality Protection, deeds were modified to ensure the placement of appropriate riparian buffer areas;

- For Historic Resources, deeds were modified to ensure the protection of resources listed on the Virginia Landmarks Register or the National Register of Historic Places from demolition and alteration; and
- For Natural Heritage Resources, deeds were modified to protect known resources documented in state databases.

Additionally, deeds were often refined to specify no-build areas, limitations on paved roads and the placement of utilities, and the establishment and limitations on the disturbance of vegetated buffers along perennial streams and other specified water bodies. The reviews also led to other minor changes for clarification and often required the applicant to provide additional documentation of the conservation purposes they claimed. In several cases, the review required additional language in the deeds of easement to ensure protection of water quality, historic structures, and areas containing special habitat supporting known natural heritage resources.

The common factor that ran through each review conducted by DCR was the obvious pride landowners have in their land and the fulfillment they achieve in ensuring their land will remain open space working lands or natural areas for generations to come. Most properties DCR reviewed in 2014 had some form of agricultural or forestal activity at the time of donation, whether it was a multi-generation tree farm in Southside or a rolling historic plantation in central Virginia. Where the land was in agricultural-use, the donation of a conservation easement was intended to ensure the opportunity of future generations to farm the land. In at least two instances, the applicants' stated goal in preserving their property and requesting the tax credit was to ensure the property remained open to the public to enjoy the natural open space. Those landowners chose to include public access requirements in their easements.

In addition to improving the conservation value of the donations, DCR sought to complete its reviews in a timely fashion and worked closely with applicants, their attorneys, and land trusts. The law, Virginia Code § 58.1-512.D.3., allows DCR to take up to 90 days to review an application before taking a final action. On average in 2014, DCR took 16 days to review a pre-filing application and two days to verify the conservation value of final applications where the applicant had submitted a pre-filing application.

DCR's review of tax credits that claim one million dollars or more has been both responsive and timely and serves as an important tool for the Commonwealth to ensure that the lands protected for which a Land Preservation Tax Credit is issued are worthy of protection and that the natural and historical resources they contain will be adequately protected in perpetuity.



## **Issuance of Land Preservation Tax Credits by TAX**

The Virginia's Land Conservation Incentives Act, Virginia Code [§ 58.1-512.C.2.](#), requires DCR to compile an annual report on qualified donations of less-than-fee interests accepted by any public or private conservation agency. The following sections of this report provide an update on the 2012 and 2013 land preservation tax credit caps, and detail those land conservation donations for which a taxpayer has requested a tax credit for a land donation within the 2014 annual cap.

To apply for a LPTC, a taxpayer must have successfully recorded a conservation easement or donated land to a qualified conservation organization. The taxpayer must then submit a form LPC-1 to TAX and DCR after completing the land donation. DCR has compiled this report from the information provided to the Agency by taxpayers in form LPC-1 and confirmed this initial data with TAX. This section only summarizes the information submitted as part of the application process and may vary somewhat from the final totals managed by TAX.

### **Calendar Year 2012 Land Preservation Tax Credit Update**

The annual tax-credit cap for 2012 was \$111,054,000. The cap was not depleted by the end of the 2012 and in 2014 TAX continued to apply tax-credit applications received for land donations recorded in 2012 or earlier to the 2012 cap. Five new applications were received and processed in 2014.

Pursuant to [§ 58.1-512.D.4.a.](#) of the Code of Virginia, TAX is instructed to include any credits previously issued but subsequently invalidated to be reissued in a subsequent calendar year. During 2014 an adjustment was made to an earlier tax credit and \$293,000 was added to the 2012 cap, increasing the 2012 cap to \$111,347,300. As of December 31, 2014, a total of 227 applications were granted \$64,084,200 in tax credits protecting 45,268.24 acres. The remaining 2012 credit balance of \$47,263,100 was retired by TAX pursuant to [Chapter 680 of the 2015 Virginia Acts of Assembly \(SB 1019\)](#).

In order to provide an updated summary for this annual report, all of the LPTC applications received by TAX from 2012 through the end of 2014 for land donations recorded in 2012 or earlier are included in this section of the report. Based on the information provided by taxpayers in their applications for 2012 land preservation tax credits, a total of 227 applications were filed towards that year's \$111,347,300 cap. Those applications requested \$64,084,200 in tax credits for donations totaling 45,268.24 acres.

Of the 45,268.24 acres conserved statewide through the 2012 LPTC, taxpayers conserved land in 73 localities. Table 1 highlights the 15 counties where tax-payers claimed five or more LPTCs for 2012. The largest number of donations per county was in Albemarle County with 19 donations (8.37

percent of the 227 total donations) for 2,337.59 acres total with a total LPTC value of \$4,857,400. Smyth County had the greatest numbers of acres preserved per county, at 2,787.30 acres or 6.16 percent of the total acreage. The largest number of credit dollars requested per county was in Loudoun County for \$8,891,776 (13.83 percent of the total LPTCs requested) for 1,285.80 acres through 10 donations. The total of all donations under the 2012 cap was \$64,084,200 for a total of 45,268.24 acres.

Fifty-eight localities each had at least one but no more than four requests for 2012 LPTC credits. Where fewer than five requests were made in any locality, the information is aggregated in order to protect tax information confidentiality in accordance with § 58.1-3.A. of the Code of Virginia. (We are utilizing the same threshold standard utilized by the Department of Taxation associated with their data.) In those 58 localities the total dollar value of credits requested was approximately \$29.05 million, or 45.18 percent of the statewide total. The total acreage preserved in those localities was 23,228.24 acres, 51.31 percent of the statewide total.

Of the total acreage preserved under the 2012 LPTC program, land owners reported in their LPTC application packages that approximately 15,165 acres were currently being used for production agriculture, of which 12,829 acres (85 percent) are reported to be under onsite operational best management practices designed to protect water quality. Approximately 12,155.49 acres were reported as being used for active silvicultural land, of which all acreage (100 percent) are reported to be under some onsite operational best management practices or require pre-harvest management plans.

Within the LPTC application, land owners are also asked to report on the total length of vegetated riparian buffers with a minimum width of 35 feet that are required to be maintained in their conservation easement or deed of gift. The applications for 2012 indicated a total length of 730,726 feet of forested buffers and 173,837 feet of no-plow buffers along rivers, streams, wetlands, ponds, springs, and shorelines. The two categories of buffers are differentiated by the types of activities that are restricted or allowed within the easements or deeds. Activities such as mowing or timber harvesting are restricted in forested buffers, but are allowed within no-plow buffers to maintain non-woody vegetation such as pasture or grasslands.

For 2012, of the eight conservation purposes (projects may claim multiple purposes), 76.27 percent of the total acreage preserved in the LPTC program or 34,526.32 acres were claimed to be in the Scenic Open Space category (Table 2). The other prominent categories claimed were: Forestal Use at 23,552.83 acres or 52.03 percent of the total acreage, Agricultural Use at 19,245.96 acres or 42.52 percent, and Watershed Preservation at 15,812.69 acres or 34.93 percent,. The remaining purposes claimed in order of rank were: Lands Designated by Federal, State, or Local Government at 8,297.50 acres or 18.33 percent; Natural Habitat and Biological Diversity at 7,807.30 acres or 17.25

percent; Historic Preservation at 2,856.10 acres or 6.31 percent; and Natural Resource Based Outdoor Education and Recreation at 1,588.84 acres or 3.51 percent of the total acreage.

**Table 1: UPDATED 2012 Land Preservation Tax Credits by Locality**

	County	Number of Donations	Tax Credits Requested	Percent of Statewide Tax Credits	Acres Preserved	Percent of Statewide Acres Preserved
1	Albemarle	19	\$4,857,400	7.56%	2,337.59	5.16%
2	Bath	6	\$1,323,800	2.06%	1,391.16	3.07%
3	Bedford	6	\$1,244,800	1.94%	1,573.52	3.48%
4	Clarke	9	\$1,082,580	1.68%	864.44	1.91%
5	Essex	8	\$1,958,870	3.05%	2,101.15	4.64%
6	Fauquier	14	\$4,647,800	7.23%	2,093.10	4.62%
7	Greene	5	\$811,400	1.26%	442.39	0.98%
8	Loudoun	10	\$8,891,776	13.83%	1,285.80	2.84%
9	Montgomery	5	\$1,160,015	1.80%	896.6	1.98%
10	Nelson	5	\$998,000	1.55%	1,338.33	2.96%
11	Orange	6	\$2,169,319	3.37%	1,269.94	2.81%
12	Rappahannock	8	\$1,981,000	3.08%	1,398.61	3.09%
13	Rockbridge	5	\$461,400	0.72%	770.31	1.70%
14	Smyth	6	\$1,938,370	3.01%	2,787.30	6.16%
15	Wythe	5	\$1,715,080	2.67%	1,489.76	3.29%
	<b>Subtotal</b>	<b>117</b>	<b>\$35,241,610</b>	<b>54.99%</b>	<b>22,040.00</b>	<b>48.69%</b>
	Other*	110	\$28,842,590	45.01%	23,228.24	51.31%
	<b>Total</b>	<b>227</b>	<b>\$64,084,200</b>	<b>100.00%</b>	<b>45,268.24</b>	<b>100.00%</b>

\* Note: Localities containing at least one but no more than four donations: The Counties of Accomack, Amelia, Amherst, Appomattox, Augusta, Botetourt, Brunswick, Buckingham, Campbell, Caroline, Carroll, Chesterfield, Craig, Culpeper, Dinwiddie, Fairfax, Floyd, Fluvanna, Franklin, Frederick, Giles, Gloucester, Goochland, Grayson, Halifax, Hanover, Henrico, Henry, Highland, King and Queen, King William, Lancaster, Louisa, Lunenburg, Madison, Mecklenburg, Middlesex, New Kent, Northampton, Northumberland, Nottoway, Patrick, Powhatan, Prince Edward, Prince William, Roanoke, Rockingham, Russell, Scott, Spotsylvania, Surry, Tazewell, Warren, Washington, Westmoreland, and Wythe, and the Cities of Alexandria, Covington, and Suffolk.

**Table 2: UPDATED 2012 LPTC Acreages of Lands Preserved by Conservation Value**

	Locality	Agricultural Use	Forestal Use	Natural Habitat and Biological Diversity	Historic Preservation	Natural-Resource Based Outdoor Education & Recreation	Watershed Preservation	Preservation of Scenic Open Space	Conservation of Open Space Lands Designated by Federal, State or Local Gov't
1.	Accomack County	0.00	0.00	687.00	0.00	0.00	687.00	687.00	0.00
2.	Albemarle County	470.65	1,434.08	571.80	438.40	39.80	1,268.45	1,345.98	909.22
3.	Alexandria City	0.00	0.00	0.00	0.26	0.00	0.00	0.26	0.26
4.	Amelia County	305.00	132.13	0.00	0.00	0.00	0.00	412.00	0.00
5.	Amherst County	15.00	250.00	269.82	0.00	0.00	269.82	347.82	0.00
6.	Appomattox County	350.00	193.00	0.00	0.00	0.00	543.39	543.39	0.00
7.	Augusta County	813.62	178.84	0.00	0.00	174.84	606.62	818.03	0.00
8.	Bath County	197.00	943.00	887.89	0.00	0.00	887.89	1,390.81	0.00
9.	Bedford County	521.00	316.00	0.00	0.00	0.00	375.19	1,339.54	233.39
10.	Botetourt County	550.00	550.00	550.00	0.00	0.00	550.00	550.00	0.00
11.	Brunswick County	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00
12.	Buckingham County	0.00	128.00	0.00	0.00	0.00	0.00	86.00	0.00
13.	Campbell County	30.00	124.24	0.00	0.00	0.00	1.00	86.00	0.00
14.	Caroline County	108.00	162.00	0.00	0.00	0.00	1.00	271.00	0.00
15.	Carroll County	311.00	192.00	50.00	0.00	0.00	10.00	218.00	83.00
16.	Chesterfield County	0.00	517.50	0.00	0.00	517.50	0.00	439.50	111.02
17.	Covington City	8.00	146.39	270.00	0.00	0.00	270.00	424.39	0.00
18.	Clarke County	431.91	705.73	294.74	0.00	0.00	0.00	836.20	441.83
19.	Craig County	120.00	224.00	20.00	0.00	20.00	20.00	324.00	0.00
20.	Culpeper County	870.00	159.00	964.70	1,205.70	0.00	964.70	1,205.70	241.00
21.	Dinwiddie County	157.00	32.00	0.00	0.00	0.00	189.00	0.00	0.00
22.	Essex County	1,045.30	833.00	0.00	0.00	0.00	114.00	1,635.30	0.00
23.	Fairfax County	0.00	0.00	0.00	0.00	60.10	0.00	0.00	0.00
24.	Fauquier County	1,385.19	336.19	0.00	134.19	0.00	57.19	2,086.78	399.32
25.	Floyd County	0.00	12.84	0.00	0.00	0.00	0.00	56.87	0.00
26.	Fluvanna County	167.00	225.00	207.67	0.00	0.00	344.67	344.67	207.67

27.	Franklin County	396.00	985.24	162.00	0.00	0.00	162.00	1,317.52	162.00
28.	Frederick County	39.00	271.00	180.00	0.00	0.00	390.00	390.00	0.00
29.	Giles County	0.00	47.00	0.00	0.00	0.00	47.00	47.00	0.00
30.	Gloucester County	104.38	210.11	237.72	0.00	0.00	237.72	0.00	237.72
31.	Goochland County	32.00	40.00	0.00	0.00	0.00	1.00	72.00	0.00
32.	Grayson County	102.00	172.86	47.86	47.86	0.00	48.86	49.86	132.86
33.	Greene County	92.00	187.00	116.58	0.00	0.00	349.71	588.14	474.14
34.	Halifax County	0.00	174.00	177.58	0.00	0.00	177.58	177.58	0.00
35.	Hanover County	33.00	38.39	79.64	0.00	0.00	79.64	79.64	0.00
36.	Henrico County	9.43	92.72	0.00	102.15	0.00	0.00	0.00	0.00
37.	Henry County	100.00	345.00	0.00	0.00	0.00	17.00	462.00	77.72
38.	Highland County	28.00	80.00	0.00	2.09	108.04	0.00	0.00	0.00
39.	King and Queen County	233.00	108.00	0.00	0.00	0.00	21.00	362.00	0.00
40.	King William County	342.00	1,317.76	0.00	0.00	0.00	1,793.76	1,225.76	0.00
41.	Lancaster County	0.00	172.71	172.71	0.00	0.00	172.71	172.71	0.00
42.	Loudoun County	1,264.11	587.64	40.00	288.95	184.00	264.00	1,062.80	600.42
43.	Louisa County	157.00	67.00	0.00	174.00	67.00	70.00	341.00	174.00
44.	Lunenburg County	466.00	466.00	303.49	0.00	0.00	496.04	496.04	438.00
45.	Madison County	33.00	233.00	233.00	100.00	102.00	240.00	233.00	109.00
46.	Mecklenburg County	68.00	42.00	0.00	0.00	0.00	0.00	11.00	0.00
47.	Middlesex County	296.00	50.00	0.00	0.00	0.00	24.00	98.00	98.00
48.	Montgomery County	380.94	123.60	397.88	0.00	0.00	140.00	641.42	140.00
49.	Nelson County	15.00	1,382.50	0.00	0.00	0.00	205.50	986.96	0.00
50.	New Kent County	71.30	22.90	0.00	0.00	0.00	103.00	103.00	0.00
51.	Northampton County	210.00	41.00	5.43	0.00	0.00	1.00	172.00	0.00
52.	Northumberland County	41.00	101.25	142.25	0.00	0.00	143.02	142.25	0.00
53.	Nottoway County	0.00	751.00	0.00	0.00	0.00	25.00	1,037.00	0.00
54.	Orange County	381.69	678.49	64.00	1.00	0.00	160.69	556.18	64.00
55.	Patrick County	0.00	0.00	58.00	0.00	0.00	58.00	58.00	58.00
56.	Powhatan County	0.00	350.00	0.00	0.00	0.00	5.00	356.00	0.00
57.	Prince Edward County	0.00	1,245.00	0.00	0.00	0.00	0.00	1,245.00	0.00
58.	Prince William County	25.10	30.10	0.00	99.70	41.60	46.70	66.70	0.00
59.	Rappahannock County	817.38	841.04	30.21	0.00	0.00	640.15	1,394.75	504.86
60.	Roanoke County	26.00	175.00	270.33	0.00	0.00	394.60	445.33	225.73
61.	Rockbridge County	267.00	416.76	0.00	36.80	0.00	0.00	712.14	257.34

62.	Rockingham County	102.00	96.00	90.00	0.00	6.00	90.00	104.00	2.00
63.	Russell County	165.00	42.00	0.00	0.00	0.00	207.00	207.00	0.00
64.	Scott County	152.00	69.00	0.00	0.00	0.00	0.00	0.00	0.00
65.	Smyth County	1,594.00	1,173.00	0.00	0.00	0.00	9.00	0.00	0.00
66.	Spotsylvania County	66.00	0.00	0.00	0.00	0.00	0.00.00	73.00	0.00
67.	Suffolk City	334.00	79.00	0.00	0.00	0.00	0.00	146.00	0.00
68.	Surry County	1,050.00	1,050.00	0.00	0.00	0.00	1,050.00	1,050.00	1,050.00
69.	Tazewell County	294.00	73.00	0.00	0.00	0.00	0.00	367.00	0.00
70.	Warren County	138.00	745.00	0.00	0.00	0.00	243.30	883.30	640.00
71.	Washington County	43.00	1.00	0.00	0.00	0.00	0.00	44.00	0.00
72.	Westmoreland County	50.00	59.00	0.00	0.00	0.00	0.00	109.00	0.00
73.	Wythe County	1,146.96	299.82	0.00	0.00	42.96	313.79	766.00	0.00
				Natural Habitat and Biological Diversity	Historic Preservation	Natural- Resource Based Outdoor Education & Recreation	Watershed Preservation	Preservation of Scenic Open Space	Conservation of Open Space Lands Designated by Federal, State or Local Gov't
	<b>Acre totals statewide</b>	<b>19,245.96</b>	<b>23,552.83</b>	<b>7,807.30</b>	<b>2,856.10</b>	<b>1,588.84</b>	<b>15,812.69</b>	<b>34,526.32</b>	<b>8,297.50</b>
	<b>Percent of acreage conserved claiming Conservation Value</b>	<b>42.52%</b>	<b>52.03%</b>	<b>17.25%</b>	<b>6.31%</b>	<b>3.51%</b>	<b>34.93%</b>	<b>76.27%</b>	<b>18.33%</b>

## Calendar Year 2013 Land Preservation Tax Credit Update

The annual tax credit cap for 2013 was \$100,000,000. The cap was not depleted by the end of 2013, so throughout the next year TAX continued to apply tax-credits applications for land donations recorded in 2013 to the 2013 cap. Twenty-three new 2013 applications were received and processed by TAX in 2014. As of December 31, 2014, a total of 234 applications were filed requesting \$78,882,596 in tax credits protecting 64,890.22 acres. The remaining credit balance of \$21,117,404 was retired by TAX pursuant to [Chapter 680 of the 2015 Virginia Acts of Assembly \(SB 1019\)](#).

In order to provide an updated summary, all of the LPTC applications received by TAX through the end of 2014 for land donations recorded in 2013 are included in this section of the report. Of the 64,890.22 acres conserved statewide through the 2013 LPTC, taxpayers conserved land in 70 localities. Table 3 highlights the 14 counties where tax-payers claimed five or more LPTCs in 2013. The largest number of donations per county occurred in Fauquier County with 13 donations (5.56 percent of the 234 total donations). Essex County had the greatest number of acres preserved per county, at 5,518.12 acres or 8.50 percent of the total acreage. The largest number of credit dollars requested per county was in Loudoun County for \$9,623,418 (12.20 percent of the total LPTCs requested) for 1,771.45 acres through 10 donations. The total of all donations under the 2013 cap was \$78,882,596 for a total of 64,890.22 acres.

Fifty-six localities each had at least one but no more than four requests for LPTC credits. In those 56 localities the total dollar value of credits requested was \$35,993,986, or 45.63 percent of the statewide total. The total acreage preserved in those localities was 35,956.14 acres, 55.41 percent of the statewide total.

Of the total 64,890.22 acres preserved under the 2013 LPTC program, land owners reported in their LPTC application packages that approximately 21,665 acres were currently being used for production agriculture, of which 18,537 acres (86 percent) are reported to be under onsite operational best management practices designed to protect water quality. Approximately 18,724 acres were reported as being used for active silvicultural land, of which all such applicants (100 percent) reported that their conservation easements require onsite operational best management practices or pre-harvest management plans.

Within the LPTC application, land owners are also asked to report on the total length of vegetated riparian buffers with a minimum width of 35 feet that are required to be maintained in their conservation easement or deed of gift. The applications for 2013 indicated a total length of 1,209,082 feet of forested buffers and 96,921 feet of no-plow buffers along rivers, streams, wetlands, ponds, springs, and shorelines. The two categories of buffers are differentiated by the types of activities that are restricted or allowed within the easements or deeds. Activities such as

mowing or timber harvesting are restricted in forested buffers, but are allowed within no-plow buffers to maintain non-woody vegetation such as pasture or grasslands.

For 2013, of the eight conservation purposes (projects may claim multiple purposes), 82.36 percent of the total acreage preserved in the LPTC program or 53,445.97 acres were claimed to be in the Scenic Open Space category (Table 4). The other prominent categories claimed were: Forestal Use at 34,536.82 acres or 53.22 percent of the total acreage, Watershed Preservation at 29,252.93 acres or 45.08 percent, and Agricultural Use at 28,146.44 acres or 43.38 percent. The remaining purposes claimed in order of rank were: Natural Habitat and Biological Diversity at 18,374.14 acres or 28.32 percent; Lands Designated by Federal, State, or Local Government at 16,176.37 acres or 24.93 percent; Historic Preservation at 5,151.54 acres or 7.94 percent; and Natural Resource Based Outdoor Education and Recreation at 3,876.98 acres or 5.97 percent of the total acreage.



**Table 3: UPDATED 2013 Land Preservation Tax Credits by Locality**

	County	Number of Donations	Tax Credits Requested	Percent of Statewide Tax Credits	Acres Preserved	Percent of Statewide Acres Preserved
1.	Albemarle	12	\$5,634,397.00	7.14%	2,506.45	3.86%
2.	Augusta	6	\$1,042,400.00	1.32%	1,190.84	1.84%
3.	Culpeper	7	\$1,231,600.00	1.56%	1,132.44	1.75%
4.	Essex	8	\$6,843,980.00	8.68%	5,518.12	8.50%
5.	Fauquier	13	\$2,918,200.00	3.70%	1,393.86	2.15%
6.	Floyd	6	\$496,800.00	0.63%	769.84	1.19%
7.	Halifax	5	\$887,620.00	1.13%	1,827.37	2.82%
8.	King William	10	\$6,671,560.00	8.46%	4,211.64	6.49%
9.	Loudoun	10	\$9,623,418.00	12.20%	1,771.45	2.73%
10.	Madison	5	\$799,755.00	1.01%	999.72	1.54%
11.	Nelson	6	\$999,000.00	1.27%	2,418.60	3.73%
12.	Orange	6	\$2,654,800.00	3.37%	1,373.20	2.12%
13.	Rockbridge	8	\$1,138,000.00	1.44%	1,476.49	2.28%
14.	Smyth	5	\$1,947,080.00	2.47%	2,344.06	3.61%
	<b>Subtotal</b>	<b>107</b>	<b>\$42,888,610.00</b>	<b>54.37%</b>	<b>28,934.08</b>	<b>44.59%</b>
	Other*	127	\$35,993,986.00	45.63%	35,956.14	55.41%
	<b>Total</b>	<b>234</b>	<b>\$78,882,596.00</b>	<b>100.00%</b>	<b>64,890.22</b>	<b>100.00%</b>

\* Note: Localities containing at least one but no more than four donations: The Counties of Alleghany, Amelia, Amherst, Appomattox, Bath, Botetourt, Brunswick, Buckingham, Campbell, Caroline, Charles City, Charlotte, Chesterfield, Clarke, Dinwiddie, Fairfax, Fluvanna, Franklin, Frederick, Gloucester, Goochland, Grayson, Greene, Hanover, Henrico, Highland, King and Queen, King George, Lancaster, Louisa, Lunenburg, Mathews, Mecklenburg, Middlesex, Montgomery, New Kent, Northampton, Northumberland, Page, Pittsylvania, Powhatan, Prince Edward, Pulaski, Rappahannock, Richmond, Roanoke, Rockingham, Russell, Shenandoah, Southampton, Stafford, Surry, Sussex, Warren, Washington, and Wythe.

**Table 4: UPDATED 2013 LPTC Acreages of Lands Preserved by Conservation Value**

	Locality	Agricultural Use	Forestral Use	Natural Habitat and Biological Diversity	Historic Preservation	Natural-Resource Based Outdoor Education & Recreation	Watershed Preservation	Preservation of Scenic Open Space	Conservation of Open Space Lands Designated by Federal, State or Local Gov't
1.	Albemarle County	1,640.07	1,288.25	889.31	1,283.00	58.00	345.88	2,329.31	1,000.68
2.	Alleghany	179.00	1,404.00	1,225.00	0.00	0.00	1,584.83	1,584.83	0.00
3.	Amelia County	320.00	1,768.00	0.00	0.00	0.00	0.00	2,088.00	0.00
4.	Amherst County	285.00	302.18	323.18	0.00	0.00	27.00	616.18	0.00
5.	Appomattox County	701.00	304.00	0.00	0.00	0.00	901.00	1,006.39	0.00
6.	Augusta County	908.70	282.00	672.57	0.00	0.00	1,041.99	1,191.01	0.00
7.	Bath County	333.00	1,441.00	1,115.98	0.00	252.00	957.35	1,523.35	266.00
8.	Botetourt County	0.00	0.00	0.00	0.00	0.00	0.00	30.63	0.00
9.	Brunswick County	623.40	822.13	0.00	0.00	0.00	0.00	0.00	0.00
10.	Buckingham County	281.00	346.00	0.00	1.00	0.00	0.00	1,222.77	181.00
11.	Campbell County	593.00	250.00	0.00	0.00	0.00	708.57	844.90	0.00
12.	Caroline County	245.00	322.00	0.00	20.00	0.00	20.00	587.00	0.00
13.	Charles City County	97.00	0.00	0.00	0.00	0.00	107.00	0.00	0.00
14.	Charlotte County	674.00	254.00	0.00	0.00	0.00	0.00	928.00	0.00
15.	Chesterfield County	75.00	178.00	0.00	0.00	0.00	253.00	253.00	0.00
16.	Clarke County	1,118.89	94.00	0.00	1,064.90	0.00	924.00	1,212.89	1,212.89
17.	Culpeper County	501.00	496.43	427.50	788.42	0.00	544.94	1,218.98	0.00
18.	Dinwiddie County	529.00	1,091.00	999.00	0.00	0.00	1,126.81	1,003.00	1,130.81
19.	Essex County	1,875.00	3,162.00	0.00	0.00	0.00	3,969.00	5,100.00	3,851.00
20.	Fairfax County	0.00	0.00	18.92	0.00	19.92	0.00	18.92	19.92

21.	Fauquier County	1,016.08	508.66	0.00	373.94	60.00	541.00	1,267.05	1,084.33
22.	Floyd County	503.12	312.08	172.46	0.00	69.31	251.31	608.39	172.46
23.	Fluvanna County	50.00	80.00	0.00	0.00	0.00	0.00	0.00	0.00
24.	Franklin County	76.31	332.31	71.31	0.00	0.00	166.31	338.31	71.31
25.	Frederick County	48.00	923.00	931.83	11.02	0.00	931.83	1,006.83	11.02
26.	Gloucester County	125.00	479.05	675.00	0.63	0.00	784.05	0.00	0.00
27.	Goochland County	99.00	90.00	0.00	0.00	0.00	139.00	220.00	220.00
28.	Grayson County	177.85	483.00	526.00	98.10	0.00	526.00	596.00	0.00
29.	Greene County	118.93	0.00	0.00	0.00	0.00	118.00	118.00	0.00
30.	Halifax County	215.00	1,589.83	872.00	1.00	0.00	872.00	1,461.00	872.00
31.	Hanover County	45.00	2.00	0.00	0.00	0.00	0.00	50.50	50.50
32.	Henrico County	144.89	104.89	0.00	106.00	23.89	211.00	234.89	211.00
33.	Highland County	75.00	25.00	25.00	0.00	0.00	104.00	104.00	0.00
34.	King and Queen Co.	62.00	478.50	116.00	0.00	0.00	151.50	389.00	0.00
35.	King George County	0.00	245.00	0.00	0.00	0.00	1.00	318.00	0.00
36.	King William County	2,812.75	1,365.86	150.56	0.00	150.56	1,327.25	3,753.46	1,177.25
37.	Lancaster County	200.00	200.00	0.00	0.00	0.00	57.00	457.00	0.00
38.	Loudoun County	1,563.42	632.50	793.08	486.48	604.00	1,134.71	1,548.07	1,406.59
39.	Louisa County	253.73	1,103.00	1,103.00	253.73	0.00	1,103.00	1,356.73	0.00
40.	Lunenburg County	734.00	1,029.59	434.00	434.00	434.00	434.00	864.00	434.00
41.	Madison County	105.00	876.00	718.00	0.00	0.00	460.00	879.10	450.00
42.	Mathews County	52.70	3.00	53.60	0.00	0.00	53.60	671.47	0.00
43.	Mecklenburg County	25.00	130.00	155.00	0.00	0.00	155.00	155.00	0.00
44.	Middlesex County	429.65	415.65	340.80	0.00	8.85	348.85	494.85	0.00
45.	Montgomery County	619.98	183.00	155.00	0.00	0.00	273.00	363.00	0.00
46.	Nelson County	100.00	2,300.47	2,181.48	0.00	1,630.70	2,234.48	2,106.69	278.78
47.	New Kent County	78.00	38.00	0.00	0.00	0.00	0.00	116.00	0.00

48.	Northampton County	101.70	96.50	208.00	0.00	0.00	6.80	208.00	208.00
49.	Northumberland Co.	91.00	41.00	0.00	0.00	0.00	0.00	132.00	0.00
50.	Orange County	335.00	203.00	165.00	49.40	0.00	165.00	1,193.57	244.04
51.	Page County	439.00	444.00	27.00	0.00	0.00	399.00	595.00	196.00
52.	Pittsylvania County	50.00	300.00	0.00	0.00	211.75	349.82	349.82	0.00
53.	Powhatan County	0.00	0.00	0.00	0.00	0.00	0.00	0.00	513.62
54.	Prince Edward County	190.00	1,284.00	0.00	0.00	0.00	16.00	1,490.00	0.00
55.	Pulaski County	0.00	145.00	0.00	0.00	0.00	148.00	148.00	0.00
56.	Rappahannock County	514.13	601.00	354.00	0.00	354.00	456.00	1,114.60	0.00
57.	Richmond County	24.00	126.00	0.00	0.00	0.00	0.00	150.00	0.00
58.	Roanoke County	0.00	163.00	163.00	0.00	0.00	163.00	163.00	0.00
59.	Rockbridge County	654.00	482.00	526.07	71.96	0.00	1,160.45	1,476.51	71.96
60.	Rockingham County	136.00	235.00	205.00	0.00	0.00	205.00	205.00	178.00
61.	Russell County	175.00	83.00	0.00	0.00	0.00	0.00	258.85	0.00
62.	Shenandoah County	88.79	84.00	84.00	0.00	0.00	88.79	88.79	0.00
63.	Smyth County	1,379.00	914.00	400.00	0.00	0.00	0.00	110.00	0.00
64.	Southampton County	178.00	469.00	433.09	0.00	0.00	433.00	663.00	0.00
65.	Stafford County	194.25	101.54	0.00	107.96	0.00	308.81	308.81	308.81
66.	Surry County	598.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
67.	Sussex County	15.00	637.40	663.40	0.00	0.00	309.00	309.00	354.40
68.	Warren County	660.00	218.00	0.00	0.00	0.00	155.00	885.28	0.00
69.	Washington County	173.00	64.00	0.00	0.00	0.00	0.00	168.24	0.00
70.	Wythe County	1,441.00	110.00	0.00	0.00	0.00	0.00	1,192.00	0.00

		Agricultural Use	Forestal Use	Natural Habitat and Biological Diversity	Historic Preservation	Natural-Resource Based Outdoor Education & Recreation	Watershed Preservation	Preservation of Scenic Open Space	Conservation of Open Space Lands Designated by Federal, State or Local Gov't
	<b>Acre totals statewide</b>	<b>28,146.44</b>	<b>34,536.82</b>	<b>18,374.14</b>	<b>5,151.54</b>	<b>3,876.98</b>	<b>29,252.93</b>	<b>53,445.97</b>	<b>16,176.37</b>
	<b>Percent of acreage conserved claiming Conservation Value</b>	<b>43.38%</b>	<b>53.22%</b>	<b>28.32%</b>	<b>7.94%</b>	<b>5.97%</b>	<b>45.08%</b>	<b>82.36%</b>	<b>24.93%</b>

## **Calendar Year 2014 Land Preservation Tax Credit Summary**

Based on information provided by taxpayers in their tax credit applications for land donations recorded in 2014, there were 91 applications filed towards the \$100 million cap for calendar year 2014. Those applications requested a total of \$38,123,803 in tax credits for donations of 24,214.41 acres. A balance of \$61,876,197 remained in the 2014 tax-credit cap at the end of the year, which was retired by TAX in 2015 pursuant to the provisions of Chapter 680 of the 2015 Virginia Acts of Assembly (SB 1019).

Of the 24,214.41 acres conserved statewide through the 2014 LPTC, taxpayers conserved land in 45 localities. Table 5 highlights the three counties where tax-payers claimed five or more LPTCs in 2014. The largest number of donations per county occurred in Fauquier and Loudoun Counties with 7 donations each (7.69 percent of the total donations in 2014, each). Charlotte County had the greatest number of acres preserved per county, at 3,400 acres or 14.04 percent of the total acreage. Since less than five requests for LPTCs were received for Charlotte County the details of those donations are not included in Table 5 to protect tax information confidentiality. The largest number of credit dollars requested per county was in Fauquier County for \$4,366,470 (11.45 percent of the total LPTCs requested). The total of all 91 donations under the 2014 cap was \$38,123,803 for a total of 24,214.41 acres.

Forty-two localities each had at least one but no more than four requests for LPTC credits. In those 42 localities the total dollar value of credits requested was \$27,663,333, or 72.56 percent of the statewide total. The total acreage preserved in those localities was 21,165.42 acres, 87.41 percent of the statewide total.

Of the total 24,214.41 acres preserved under the 2014 LPTC program, land owners reported in their LPTC application packages that approximately 4,417.52 acres were currently being used for production agriculture, of which 3,695.32 acres (84 percent) are reported to be under onsite operational best management practices designed to protect water quality. Approximately 10,051.62 acres were reported as being used for active silvicultural land, of which all such applicants (100 percent) reported that their conservation easements require onsite operational best management practices or pre-harvest management plans.

Within the LPTC application, land owners are also asked to report on the total length of vegetated riparian buffers with a minimum width of 35 feet that are required to be maintained in their conservation easement or deed of gift. The applications for 2014 indicated a total length of 499,870 feet of forested buffers and 19,206 feet of no-plow buffers along rivers, streams, wetlands, ponds, springs, and shorelines. The two categories of buffers are differentiated by the types of activities that are restricted or allowed within the easements or deeds. Activities such as

mowing or timber harvesting are restricted in forested buffers, but are allowed within no-plow buffers to maintain non-woody vegetation such as pasture or grasslands.

For 2014, of the eight conservation purposes (projects may claim multiple purposes), 81.08 percent of the total acreage preserved in the LPTC program or 19,632.09 acres were claimed to be in the Scenic Open Space category (Table 6). The other prominent categories claimed were: Forestal Use at 17,068.41 acres or 70.49 percent of the total acreage, Agricultural Use at 10,034.50 acres or 41.44 percent, and Watershed Preservation at 9,046.10 acres or 37.36 percent. The remaining purposes claimed in order of rank were: Natural Habitat and Biological Diversity at 7,680.39 acres or 31.72 percent; Lands Designated by Federal, State, or Local Government at 5,610.43 acres or 23.17 percent; Natural Resource Based Outdoor Education and Recreation at 2,052.52 acres or 8.48 percent; and Historic Preservation at 1,925.23 acres or 7.95 percent of the total acreage.

**Table 5: 2014 Land Preservation Tax Credits by Locality**

	County	Number of Donations	Tax Credits Requested	Percent of Statewide Tax Credits	Acres Preserved	Percent of Statewide Acres Preserved
1.	Albemarle	6	\$1,894,000	4.97%	1,085.95	4.48%
2.	Fauquier	7	\$4,366,470	11.45%	1,241.99	5.13%
3.	Loudoun	7	\$4,200,000	11.02%	721.05	2.98%
	<b>Subtotal</b>	<b>20</b>	<b>\$10,460,470</b>	<b>27.44%</b>	<b>3,048.99</b>	<b>12.59%</b>
	Other*	71	\$27,663,333	72.56%	21,165.42	87.41%
	<b>Total</b>	<b>91</b>	<b>\$38,123,803</b>	<b>100.00%</b>	<b>24,214.41</b>	<b>100.00%</b>

\* Note: Localities containing at least one but no more than four donations: The Counties of Accomack, Amelia, Augusta, Bedford, Botetourt, Buckingham, Campbell, Caroline, Carroll, Charlotte, Clarke, Culpeper, Cumberland, Dinwiddie, Essex, Fairfax, Floyd, Fluvanna, Franklin, Frederick, Giles, Grayson, Halifax, Henrico, Henry, King William, Louisa, Lunenburg, Montgomery, Orange, Pittsylvania, Prince Edward, Prince William, Richmond, Rockbridge, Shenandoah, Southampton, Warren, Washington, and Westmoreland, and the Cities of Chesapeake and Danville.

**Table 6: 2014 LPTC Acreages of Lands Preserved by Conservation Value**

	Locality	Agricultural Use	Forestral Use	Natural Habitat and Biological Diversity	Historic Preservation	Natural-Resource Based Outdoor Education & Recreation	Watershed Preservation	Preservation of Scenic Open Space	Conservation of Open Space Lands Designated by Federal, State or Local Gov't
1	Accomack County	99.00	131.00	4.00	0.00	0.00	341.00	433.50	0.00
2	Albemarle County	397.90	750.50	744.00	411.00	411.00	576.65	593.90	475.50
3	Amelia County	1,280.00	1,735.50	0.00	0.00	0.00	0.00	1,895.50	1,120.00
4	Augusta County	169.00	307.00	334.65	0.00	0.00	334.65	477.37	0.00
5	Bedford County	20.00	141.00	0.00	0.00	0.00	0.00	161.00	0.00
6	Botetourt County	408.23	659.23	589.27	0.00	0.00	828.50	828.50	144.00
7	Buckingham County	465.00	1,352.50	1,638.62	0.00	0.00	1,638.00	1,767.50	0.00
8	Campbell County	690.00	260.00	0.00	0.00	0.00	309.67	965.67	0.00
9	Caroline County	0.00	358.84	0.00	0.00	0.00	113.00	358.84	0.00
10	Carroll County	42.00	181.00	8.00	0.00	0.00	0.00	0.00	0.00
11	Charlotte County	42.00	3,357.00	0.00	0.00	0.00	0.00	3,399.00	0.00
12	Chesapeake, City of	0.00	147.00	147.00	0.00	0.00	147.00	147.00	0.00
13	Clarke County	226.00	64.00	0.00	0.00	0.00	0.00	265.00	425.00
14	Culpeper County	218.44	204.40	325.13	0.00	0.00	325.13	325.13	0.00
15	Cumberland County	180.00	350.00	0.00	0.00	0.00	0.00	551.00	0.00
16	Danville, City of	0.00	0.00	0.00	105.62	105.62	105.62	105.62	0.00
17	Dinwiddie County	0.00	305.00	305.00	0.00	0.00	305.00	305.00	0.00
18	Essex County	90.00	175.25	89.00	0.00	0.00	111.00	287.00	0.00
19	Fairfax County	0.00	0.00	0.00	0.00	0.00	5.54	0.00	5.54
20	Fauquier County	972.96	776.50	182.90	468.00	182.90	184.40	1,253.46	882.90
21	Floyd County	162.00	162.00	162.00	162.00	162.00	162.00	162.00	162.00



22	Fluvanna County	754.00	1,139.00	764.00	0.00	665.00	739.00	1,329.00	0.00
23	Franklin County	437.00	437.00	437.00	437.00	437.00	437.00	437.00	437.00
24	Frederick County	133.00	23.00	0.00	28.60	0.00	156.50	156.50	0.00
25	Giles County	284.00	344.00	1.00	0.00	0.00	80.00	280.00	280.00
26	Grayson County	10.00	154.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Halifax County	200.00	710.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Henrico County	89.00	89.00	0.00	0.00	89.00	0.00	89.00	0.00
29	Henry County	30.00	640.00	0.00	0.00	0.00	0.00	200.00	0.00
30	King William County	112.00	227.00	0.00	0.00	0.00	215.00	344.00	0.00
31	Loudoun County	667.57	484.20	280.00	119.17	0.00	173.14	509.36	587.07
32	Louisa County	0.00	0.00	2.32	0.00	0.00	2.32	2.32	0.00
33	Lunenburg County	95.00	191.00	0.00	0.00	0.00	7.00	293.00	0.00
34	Montgomery County	31.40	0.00	235.00	0.00	0.00	283.40	0.00	48.42
35	Orange County	33.00	105.00	72.00	0.00	0.00	72.00	105.00	72.00
36	Pittsylvania County	240.00	225.00	465.00	0.00	0.00	465.00	465.00	0.00
37	Prince Edward County	60.00	160.00	0.00	0.00	0.00	217.79	217.79	0.00
38	Prince William County	0.00	17.60	17.60	0.00	0.00	17.00	17.00	17.00
39	Richmond County	0.00	83.89	0.00	0.00	0.00	83.89	83.89	0.00
40	Rockbridge County	215.00	118.00	178.90	188.84	0.00	178.90	482.74	135.00
41	Shenandoah County	308.00	261.00	261.00	5.00	0.00	261.00	261.00	308.00
42	Southampton County	348.00	348.00	348.00	0.00	0.00	348.00	348.00	348.00
43	Warren County	74.00	0.00	20.00	0.00	0.00	90.00	90.00	90.00
44	Washington County	480.00	25.00	0.00	0.00	0.00	0.00	0.00	0.00
45	Westmoreland County	70.00	0.00	73.00	0.00	0.00	73.00	73.00	73.00

		Agricultural Use	Forestal Use	Natural Habitat and Biological Diversity	Historic Preservation	Natural-Resource Based Outdoor Education & Recreation	Watershed Preservation	Preservation of Scenic Open Space	Conservation of Open Space Lands Designated by Federal, State or Local Gov't
	<b>Acre totals statewide</b>	<b>10,034.50</b>	<b>17,068.41</b>	<b>7,680.39</b>	<b>1,925.23</b>	<b>2,052.52</b>	<b>9,046.10</b>	<b>19,632.09</b>	<b>5,610.43</b>
	<b>Percent of conserved acreage claiming Conservation Value</b>	<b>41.44%</b>	<b>70.49%</b>	<b>31.72%</b>	<b>7.95%</b>	<b>8.48%</b>	<b>37.36%</b>	<b>81.08%</b>	<b>23.17%</b>

## Virginia Land Conservation Foundation Stewardship Funding

In 2014, the VLCF distributed the annual land conservation Stewardship Fund deposits for the fourth time, pursuant to § 58.1-513C.2 of the Code of Virginia. Monies for the fund are generated by a two percent fee imposed on the sale or transfer of land preservation tax credits. Distributions are calculated based on a three-year average of the number of donated interests accepted by the conservation agency or organization. To be counted in the calculation, the land owner must have applied for a tax credit during the immediately preceding three-years. During the 2012 Session of the General Assembly, legislation was enacted to clarify that Federal governmental entities are prohibited from receiving these state generated funds.

In October 2014, VLCF distributed a total of \$1,088,822.00 to 47 conservation agencies and organizations to specifically support their ongoing monitoring and enforcement of conservation easements and fee simple gifts (Table 7). Federal entities co-hold two of the conservation easements included in the distribution. Their shares (0.5 + 0.33 = 0.83 shares) were subtracted from the grand total of 616 land donations before any calculations were made.

**Table 7: 2014 VLCF Stewardship Funding Distributions**

	Conservation Agency/Organization	# of Donations Received	Percentage of Total	Distribution
1	Albemarle Co Public Rec. Facilities Auth.	13	2.11%	\$23,009.39
2	Blue Ridge Land Conservancy	3	0.49%	\$5,309.86
3	Capital Region Land Conservancy Inc	0.5	0.08%	\$884.98
4	Cedar Creek Battlefield Foundation	1	0.16%	\$1,769.95
5	Chesapeake Bay Foundation	0.5	0.08%	\$884.98
6	City of Harrisonburg	1	0.16%	\$1,769.95
7	City of Virginia Beach	2	0.33%	\$3,539.91
8	Civil War Preservation Trust	1.5	0.24%	\$2,654.93
9	County of Clarke	9.67	1.57%	\$17,115.45
10	County of Fauquier	19	3.09%	\$33,629.11
11	County of Fluvanna	2	0.33%	\$3,539.91
12	County of Goochland	2	0.33%	\$3,539.91
13	County of Henrico	1	0.16%	\$1,769.95
14	County of King William	1	0.16%	\$1,769.95
15	County of Louisa	1	0.16%	\$1,769.95
16	County of Northumberland	0.5	0.08%	\$884.98
17	County of Rappahannock	0.5	0.08%	\$884.98
18	County of Warren	3	0.49%	\$5,309.86

19	Eastern Shore Land Trust	4.5	0.73%	\$7,964.79
20	Eastern Shore Soil & Water Conservation Dist.	3	0.49%	\$5,309.86
21	FASA Holdings Inc	1	0.16%	\$1,769.95
22	Historic Fredericksburg Foundation, Inc.	1	0.16%	\$1,769.95
23	Historic Green Springs Inc.	1	0.16%	\$1,769.95
24	Land Trust of Virginia	26.5	4.31%	\$46,903.76
25	Middle Peninsula Land Trust	4	0.65%	\$7,079.81
26	National Committee for the New River Inc	1	0.16%	\$1,769.95
27	The Nature Conservancy	7	1.14%	\$12,389.67
28	New River Soil & Water Conservation District	0.5	0.08%	\$884.98
29	North American Land Trust (NALT)	2	0.33%	\$3,539.91
30	Northern Neck Land Conservancy	0.5	0.08%	\$884.98
31	Northern Virginia Conservation Trust	1	0.16%	\$1,769.95
32	Northern Virginia Regional Park Authority	1	0.16%	\$1,769.95
33	Old Dominion Land Conservancy Inc	7	1.14%	\$12,389.67
34	Piedmont Environmental Council	8.5	1.38%	\$15,044.60
35	Potomac Conservancy	3	0.49%	\$5,309.86
36	The 500-Year Forest Foundation	0.5	0.08%	\$884.98
37	Town of Front Royal	1	0.16%	\$1,769.95
38	Valley Conservation Council	0.5	0.08%	\$884.98
39	Virginia Commonwealth University	1	0.16%	\$1,769.95
40	Virginia Conservation Legacy Fund, Inc.	1	0.16%	\$1,769.95
41	Virginia Dept. of Conservation & Recreation	2	0.33%	\$3,539.91
42	Virginia Department of Forestry	48	7.80%	\$84,957.75
43	Virginia Department of Historic Resources	16	2.60%	\$28,319.25
44	Virginia Outdoors Foundation	399.5	64.94%	\$707,096.21
45	Va. Youth Soccer Assn. for Land Preservation	1	0.16%	\$1,769.95
46	Wildlife Foundation of Virginia	1	0.16%	\$1,769.95
47	Williamsburg Land Conservancy	9	1.46%	\$15,929.58
	<b>TOTALS</b>	615.17	100.00%	\$1,088,822.00
	USDA: co-holds (0.5+0.33=0.83)	0.83		
	Total number of easements	616.00		

