**POLICY AND PROCEDURE FOR REVIEWING**

**LANDOWNER APPRAISALS AND FORMS 8283**

It is the landowner’s—not the land trust’s—responsibility to provide the information required in claiming a federal tax deduction for a conservation donation and to ensure its accuracy. However, both the Internal Revenue Service and *Land Trust Standards and Practices* require land trusts to diligently avoid abetting a fraudulent tax deduction. Therefore, **Sample Land Trust** has adopted the following procedure for reviewing landowner appraisals and Forms 8283.

1. If the landowner plans to take a federal or state tax deduction and/or state tax credit for the donation or bargain sale of a conservation easement or fee property, **Sample Land Trust** requires a copy of the landowner’s appraisal prior to the filing of the Form 8283. If the landowner declines to provide a copy of the appraisal, then **SLT** reserves the right to decline to sign the Form 8283.
2. The Executive Director will carefully inspect the appraisal, noting whether it meets the following standards:
3. The appraisal contains a statement of the appraiser’s qualifications and states that it was conducted according to Uniform Standards of Professional Appraisal Practice (USPAP).
4. The property is accurately described and includes no more and no less than the land area described in the proposed deed.
5. The appraisal is based on comparative sales or other data that justifies the valuation and takes into account the interest to be conveyed. (i.e., if the proposed transaction is the conveyance of a conservation easement, the valuation is not based solely on the appraised value of the fee, but rather reflects an analysis of the value before and after the conservation easement is created.)
6. If the appraised property is contiguous to or near property owned by the donor or members of his or her family, the appraiser has, as required by the Internal Revenue Code, appraised the contiguous or nearby property and analyzed whether the donation enhances its value.
7. The valuation of the property is consistent with the land trust’s general knowledge of local land values.
8. The appraisal states that it was prepared for income tax purposes.
9. If the appraisal does not meet one or more of the requirements listed above, the Executive Director will bring the deficiencies to the attention of the Acquisition Committee, who will determine how to proceed. Possible courses of action include: (1) notifying the landowner of the land trust’s concerns and suggesting that he/she discuss them with the appraiser; (2) refusing to sign Form 8283 unless the appraisal is revised to address the problems noted; and/or (3) in the case of a truly indefensible and possibly fraudulent appraisal, refusing to participate in the transaction. In communicating with the donor, the land trust may wish to emphasize that even if the donor’s tax deduction is disallowed, a conservation easement or conveyance of the property cannot be undone.
10. The Executive Director will review the donor’s Form 8283. The land trust will sign it only when the form is accurately and completely filled out with the following information:
11. Information on the donated property or easement, including the appraised fair market value, the date the donor acquired it and how it was acquired, the donor’s basis, and the amount paid (if any) to the donor for the easement or land in a bargain sale.
12. The declaration of the appraiser, including his or her signature and tax ID number

If the 8283 appears to be in order, it will be signed by the Executive Director on behalf of the land trust.

1. Copies of the landowner’s appraisal or summary page from the appraisal and the Form 8283 will be retained by the land trust in keeping with its recordkeeping policy.

Policy adopted by the **Sample Land Trust** Board of Directors on **[DATE]** and revised on **[DATES]**.