



# Assets to Acres

Your Gift of Developed  
Real Estate Can Help Protect  
New Hampshire's Special Places



SOCIETY FOR THE  
PROTECTION OF  
NEW HAMPSHIRE  
FORESTS

SINCE  
1901



The Forest Society accepts donations of land and conservation easements directly protecting our forests, rivers, lakes, mountains, and fields for future generations.



## Did you know...?

The Forest Society also accepts gifts of other types of property, such as homes, undeveloped house lots, and commercial properties. The Forest Society will even accept as a gift your existing conservation easement lands to keep as a reservation or we may, when appropriate, re-sell the property to new owners, while still subject to the conservation easement.

Many of those who cherish the New Hampshire landscape and want to contribute to its protection choose to give a house, cottage, or parcel of land that they no longer need or want to maintain to the Forest Society.

With the donor's permission to sell the donated property, the Forest Society can convert the value of that real estate "asset" to support the Forest Society and its mission.

If the property includes undeveloped land with significant conservation features, the Forest Society will put in place conservation restrictions when it sells the property, to ensure permanent protection of the land.

### How It Works

- ▶ You donate your house, house lot, condominium, vacation home, commercial property, apartment building, or undeveloped land.
- ▶ If the land is already subject to a conservation easement it may become a reservation of the Forest Society or be resold still subject to the conservation easement.
- ▶ The Forest Society sells the property at market value.
- ▶ Proceeds from the sale of the property fund conservation activities that you care about.
- ▶ You may enjoy substantial tax benefits.

### Financial Benefits to the Donor

- ▶ Potential charitable income tax deduction
- ▶ Potential alleviation of capital gains taxes on the sale of property
- ▶ Potential reduction of the taxpayer's assets for inheritance taxes
- ▶ Elimination of carrying costs such as property taxes, insurance premiums, utilities, and maintenance expenses
- ▶ Elimination of broker's fees on the sale of the property

Donating real estate to the Forest Society enables the donor to quickly liquidate the asset, receive a potential tax deduction, and further support land conservation efforts in New Hampshire.



**Visit us on the web at:**  
[www.forestsociety.org/assets-acres](http://www.forestsociety.org/assets-acres)



# Assets to Acres in Action:

## Case Study One



*Photo: Jeff Sluder*

Ellen Kennelly donated her undeveloped land in Dublin to the Forest Society. The property surrounded her summer home with a view of Mount Monadnock. She wanted the 49 acres surrounding the house to be permanently protected, so the Forest Society retained those acres as the Kennelly Forest, one of its many tracts on and near Mount Monadnock.

As she pondered the future of the house and the few surrounding acres, Mrs. Kennelly realized that she had an opportunity to do even more for conservation. She decided to make another gift of the house and surrounding land, but she retained a life estate to remain in her home as long as she wished. At a later date she released that life estate, thus enabling, the Forest Society to sell the home and surrounding acres. With the help of a local real estate firm, the Forest Society quickly sold this attractive home. The new owners were delighted to take ownership of this house and its gardens.



*Photo: Jeff Sluder*

## About that Tax Deduction

The income tax deduction on gifts of real estate is generally based on the fair market value of the property as determined by an independent appraisal if the donor has held the property for more than one year. Gifts of real estate often exceed the limits of deduction for a single year. You can carry over the excess contribution amount that you are unable to deduct for the initial year of the gift for a specified number of additional years, depending on the type of donation you are making. We strongly urge those considering gifts of real estate to consult professional legal and tax advisors prior to making the gift to be sure that donors understand the legal and tax implications of these gifts in relation to their circumstances.

## Where exactly does the money from the sale of these properties go?

The Forest Society began the critical work of saving New Hampshire's cherished places in 1901. Throughout its history, the Forest Society has helped landowners protect properties that are host to outstanding natural resources, such as unique ecological features, important wildlife habitats, underground and surface waters, and well-managed farms and forests. Donors who participate in the *Assets to Acres* program will see their gift proceeds divided equally among the following five funds:

### ***Land Action Fund***

Because owners do not always have the capacity to donate their land or conservation easements, sometimes the Forest Society has to purchase land or conservation easements, at times quickly, in order to protect a property's exceptional natural resources. The Land Action Fund provides funding to accomplish these important projects.

### ***Reservation Stewardship Endowment, Easement Stewardship Endowment, and Stewardship Defense Fund***

Acquiring land or a conservation easement is just the beginning of our work. Every piece of land entrusted to the Forest Society comes with the responsibility of caring for and protecting it, in perpetuity. Today, through the ongoing efforts and support of dedicated people like you, the Forest Society protects more than 190,000 acres including more than 800 conservation easements and 180 reservations in 196 communities throughout the state, serving more than 1.3 million residents and visitors. Ongoing stewardship plays an essential role in the continued enjoyment of the lands we protect and promotes the long-term sustainability of our forests, while conserving healthy ecosystems. Our stewardship endowments and legal defense fund ensure we can always monitor and enforce our conservation easements and manage the land that the Forest Society owns.

### ***General Operations***

Forest Society staff perform important duties that support our core programs of Land Conservation and Protection, Education and Outreach, Advocacy and Policy, Forestry and Recreation, and Stewardship (maintaining and protecting our reservations and the conservation easements under our care by upholding the provisions of the conservation easement). None of this important work is accomplished without support from our members and friends for programs like *Assets to Acres*.

# Assets to Acres in Action:

## Case Study Two

Sitting in his sunny dining room overlooking a saltmarsh in southeastern Massachusetts, Peter Ouellette explained how owning land in Mason, New Hampshire, helped him preserve strong feelings for the community where his great grandparents settled in the 1850s and where he was born more than 80 years ago. He recounted fondly being a first-grader in the one-room schoolhouse there and how he and his siblings would gather laurel branches with their mother, a young widow, whose

talented hands would turn them into Christmas decorations to sell for extra income, to ensure a “good Christmas.” Although Peter purchased ten acres there some 40 years ago, with an eye towards building and retiring there some day, other circumstances glued him to his current home overlooking Buzzards Bay. Nonetheless, every Thanksgiving, he would drive to his land in Mason, cut boughs from the abundant laurel there, and shape a holiday wreath to hang on his front door in Dartmouth, as a reminder of his roots.

Peter joined the Forest Society after picking up a friend's copy of *Forest Notes* in the 1970s, and has been a member ever since. With a career as an accountant, he had known for some time that he wanted to do something special for the Forest Society. Upon reallocating his stock portfolio earlier in the year, the prospect of a sizeable capital gains tax catalyzed his decision to donate his valuable building lot in Mason to the Forest Society's *Assets to Acres* program, so that the resulting charitable deduction could “take the pain out of the gain.” Peter understood the Forest Society would sell the property without conservation restrictions, given its modest features and proximity to other residential lots. He was also happy to have the net sale proceeds allocated in keeping with the *Assets to Acres* program to support the acquisition of new lands and conservation easements, stewardship of existing holdings, and the Forest Society's ongoing operations.

*Assets to Acres* was a “win-win” for him, Peter said, because he could receive a tax benefit and support the Forest Society at the same time.

“I'm thrilled to know that I've been instrumental in helping to save some special spot in New Hampshire,” he said. Although Peter will never let go of his feelings for Mason, he looks forward to hearing how his gift will be used to conserve other lands in the State.



Photo: Diane Forbes



## Frequently Asked Questions

### *What types of real estate gifts are appropriate for the Assets to Acres program?*

The most readily convertible real estate gifts are vacant lots, houses, cottages, condominiums or cabins with or without attached land. Commercial property is also appropriate.

### *Can I give land that has conservation value and be sure that the Forest Society will protect that land even if it is sold?*

Yes. The Forest Society's policy is to carefully evaluate every gift of land and to protect its important conservation attributes—even if we don't keep it. For lands with conservation value they may be resold subject to conservation restrictions that the Forest Society will oversee. For lands already subject to a conservation easement they may be kept as a reservation or resold subject to the existing conservation easement.

### *Does the Forest Society ever refuse gifts of real estate?*

Sometimes; the Forest Society will fully inspect a property before accepting it. We will only accept gifts of land and buildings after determining that they contain no significant issues or problems, unclear ownership, or other potential liabilities. Sometimes the Forest Society may also decline a proposed gift with very low value because the cost to convert the asset to cash would be an inappropriately high percentage of the overall value of the donation.

### *Can I donate a property and retain use of it during my life time? Or give it through my will?*

Yes. On some real estate gifts made to the Forest Society, the donor retains a "life estate" that allows him or her to continue living on the property for the remainder of his or her lifetime. This can generate an immediate charitable deduction for the donor for federal income tax purposes. The donor will continue to pay taxes and to cover the cost of maintenance, but the property would be removed from the value of the estate for inheritance tax purposes. When the owner dies or releases the estate, the Forest Society then sells the property and can use the proceeds to support its work. Similarly, a property can be willed to the Forest Society with the provision that its later sale benefit the Forest Society's mission.

### *Can I specify how and where I would like my donation to be used?*

Yes. In some cases, donors have specified that some of the proceeds from donated land or buildings be applied to a particular project or region. For example, the donor of a house lot in Freedom specified that the proceeds of the sale be used to help conserve more land on nearby Green Mountain.

### *How do I find out if the Forest Society is interested in a gift of my property?*

Call or write (603) 224-9945 or [Assets2Acres@forestsociety.org](mailto:Assets2Acres@forestsociety.org) or 54 Portsmouth Street, Concord, NH 03301. Our development or land protection staff will answer your questions and arrange for a staff member to visit your property.

SOCIETY FOR THE  
PROTECTION OF  
NEW HAMPSHIRE  
FORESTS



*For information regarding Assets to Acres contact:*

*Anne Truslow*

*(603) 224-9945 ext. 319*

*atruslow@forestsociety.org*

*Society for the Protection of New Hampshire Forests*

*54 Portsmouth Street*

*Concord, NH 03301*

*(603) 224-9945*

*Assets2Acres@forestsociety.org*

*All photography by Jerry and Marcy Monkman,  
EcoPhotography, unless otherwise noted.*

*April, 2020*