



Attention: conservation easement donors who claimed a charitable deduction may wish to consult with their legal and tax advisors to determine whether they are impacted by the IRS Notice.

In December 2022, the U.S. Congress passed the Charitable Conservation Easement Program Integrity Act (the “Integrity Act”) as part of the year-end omnibus spending bill. This legislation effectively disallows certain deductions for abusive conservation easement transactions.

The Integrity Act also provides a time-limited opportunity for certain other taxpayers to replace specific provisions of their conservation easements with IRS-issued “safe harbor” language regarding extinguishment and boundary line adjustment.

The IRS published the safe harbor language in Notice 2023-30 (the “Notice”) on April 10, 2023, and it became effective April 24, 2023. Pursuant to the Notice, some conservation easement donors may have the opportunity to amend their conservation easements to substitute the safe harbor language for the corresponding language in the original easement. However, according to the Notice, these amendments must be signed and recorded on or before July 24, 2023. The Notice also specifies that donors are not required to amend their conservation easements to include the safe harbor language.

Conservation easement donors who claimed a charitable deduction may wish to consult with their legal and tax advisors to determine whether they are impacted by the Notice. This is a complex topic, largely dependent on the donor’s specific situation, and requires action before the safe harbor window closes on July 24, 2023.

If, after consultation with tax and legal advisors, a conservation easement donor would like to request an amendment pursuant to the Notice, they should email agreathouse@bluegrassconservancy.org by June 13, 2023.

We are sharing this information as a courtesy only. Bluegrass Land Conservancy cannot provide any legal or tax advice and offers no opinion as to whether a donor is impacted by the Notice, whether specific conservation easements comply with the IRS safe harbor language, whether a donor should seek an amendment, or whether an amendment is possible to accomplish. There can be no assurance that any request for an amendment will be agreed to by Bluegrass Land Conservancy, or whether an amendment, even if acceptable to Bluegrass Land Conservancy, can be completed within the time period required by the Notice.