

Naturalist bequests property to not-for-profit Rideau Waterway Land Trust

By Karen J. Cooper and Doug Lewis

What do you do when you have acquired property which, over time, has taken on more and more importance for the protection of wildlife habitat, especially for migratory song birds, and you wish to ensure that the property will continue to be protected in the future?

This is a question which Brenda Carter, an award-winning wildlife artist, avid naturalist, and longtime resident of the Merrickville area, faced in regard to her property near Merrickville: a 450-acre parcel which was once a field camp of Dr. T.H. Manning, one of Canada's noted northern explorers and biologists; and a 100 acre parcel on which Brenda has worked to develop habitat for a broad range of grassland and forest song birds.

Brenda's answer was to contact her local land trust, the Rideau Waterway Land Trust (or the RWLT), which is a non-government, not-for-profit, charitable corporation created to acquire, hold and protect environmentally sensitive lands in perpetuity. The RWLT discussed the matter with Brenda and her family and Brenda

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discussed a possible donation to the RWLT with her legal and financial advisors. She decided that a bequest of the property in her will was her preference.

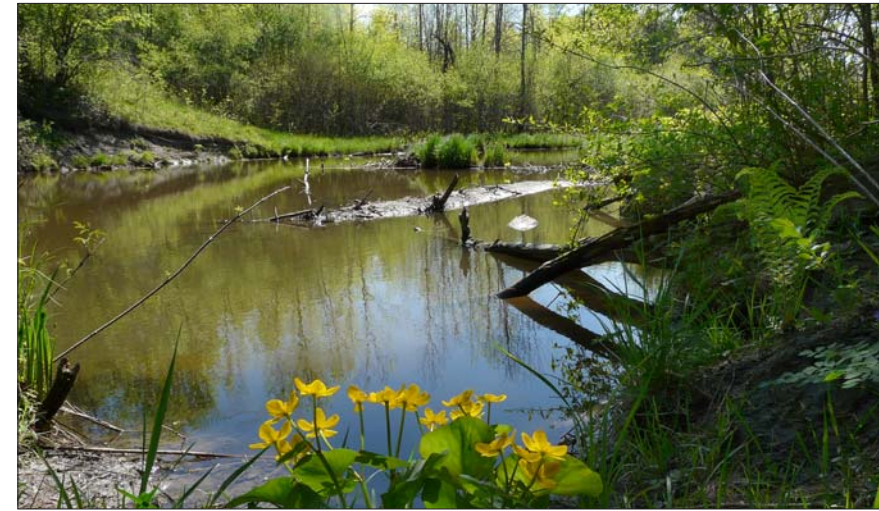
As an incentive for private landowners such as Brenda to help protect the environment, the Income Tax Act ("ITA") provides favourable income-tax treatment for gifts of ecologically sensitive land through the Ecological Gifts Program ("EGP"). The EGP enables individual and corporate landowners to protect their ecologically-sensitive land forever by donating the land (or conservation easements, covenants or servitudes on land) to eligible recipients such as the RWLT and

receiving enhanced income tax benefits in return.

These tax benefits include the provision of a tax deduction in the amount of the value of the donated land and the elimination of the taxable capital gain realized on the disposition of the property. Unlike other charitable gifts, there is no limit to the amount of ecological gift donations that can be claimed in a given year.

In addition, similar to other charitable gifts, any unused portion of the donor's ecological gifts may be carried forward for up to five years or, in the case of a gift by will, carried back for one year. To qualify as an ecological gift, the donated land must be certified as ecologically sensitive and its value certified by an independent panel.

The RWLT looked at the land that Brenda was interested in donating and made a determination that the land was environmentally sensitive and would be suitable for donation. The RWLT has access to people with a broad range of knowledge and skills, including biologists who can help to assess the environmental impact of a property, and legal and accounting professionals,



Leaving a Green Legacy: Continued protection of the property and significant tax savings to the estate

who can work with a donor to explore their options.

The preliminary biological review indicated that, given its zoning and ecological condition, the property would likely qualify as an ecological gift which could provide significant tax savings for her estate.

Thus a bequest to the RWLT could achieve two objectives for a donor: it can ensure the continued protection of the property and it can also provide significant tax savings to an estate.



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