

CHANGE IN USE



STANDARD 9: Ensuring Sound Transactions

I. Selling or Transferring Land or Conservation Agreements

3. For the sale or transfer of land or conservation agreements certified as ecological gifts, request authorization from the Minister of Environment and Climate Change Canada, or its replacement.

STANDARD 11: Conservation Agreement Stewardship

C. Conservation Agreement Compliance Monitoring

2b) Promptly **document the outcomes of annual compliance monitoring activities** for each conservation agreement, including communications to and from owners of conservation agreement properties

c) Conduct on-the-ground verification in a timely manner for **any suspected violation or breach** of conservation agreements

E. Conservation Agreement Enforcement

1. Adopt a written policy and develop written procedures **for documenting and responding to potential conservation agreement violations**

2. Investigate potential violations in a timely manner and promptly document all actions taken

3. Involve pertinent parties, **authorities** and legal counsel as appropriate to the severity of the violation and the nature of the proposed resolution

a) For conservation agreements that have been certified as an ecological gift, **report violations that have impacted the natural features of the property to Environment and Climate Change Canada**

H4. Request authorization from the Minister of Environment and Climate Change Canada for amendments to conservation agreements certified as ecological gifts

STANDARD 12: Land Stewardship

B4. Maintain the property in a manner that retains the land trust's public credibility, manages community expectations and minimizes risk consistent with the land trust's mission

C3. Address **management problems, including encroachments, trespass and other ownership challenges, in an appropriate and timely manner and document the actions taken**

a) **For lands that have been certified as an ecological gift, report detected changes or impacts to the natural features of the property to Environment and Climate Change Canada**

CHANGE IN USE



Environment and Climate Change Canada considers a recipient to have changed the use of an ecological gift if the recipient:

- **undertakes any action that results in or could result in a diminution of the ecological condition or protection** of the ecological gift;
 - **fails to take reasonable action** to manage and protect the ecological condition of the ecological gift;
 - changes any of the terms of an eligible interest or right in land (conservation easement, covenant or real servitude), which do not constitute a disposition; or
 - **fails to enforce the terms of the conservation easement**, covenant or real servitude, which results in or could result in negative impacts on the ecological condition of the property.
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- EGP [Disposition or change in use of ecological gifts](#) factsheet
 - Phone calls with your regional coordinator

Tip: Read the Disposition / Change in Use factsheet regularly and for each specific situation. Share it with your board, volunteers, property managers, etc. Call your regional coordinator to talk through scenarios.



VISION



Canadian Land Trust Standards & Practices

The need for standards and practices is imperative for all land trusts, regardless of where they operate.

A strong land trust community depends on the long-term viability and management of its organizations.

By working towards a consistent set of standards and practices, land trusts can continue to thrive and be successful in perpetuity.

- Canada's Ecological Gifts Program provides a way for Canadians with ecologically sensitive land to protect nature and leave a legacy for future generations
- Recipient organizations become responsible for the conservation of the donated land's biodiversity and environmental heritage
- This responsibility lasts forever
- Many donors take comfort in knowing that their land will be cared for in the future by an organization that shares their conservation values

Tip: Adherence to the CLT S&P is a cornerstone of EGP recipient eligibility. Communicating your organization's vision and commitment to conservation with donors, ECCC, partners and the community is a valuable way to strengthen your organization.



WILLS, ESTATES, SIGNING AUTHORITY



STANDARD 9: Ensuring Sound Transactions

Land trusts work diligently to see that every land and conservation agreement transaction is legally, ethically and technically sound.

A. Legal Review and Technical Expertise

1. **Obtain a legal review** of every land and conservation agreement transaction, appropriate to its complexity, **by a lawyer or notary experienced in real estate law**
2. As dictated by the project, **secure appropriate technical expertise, such as in financial, real estate, tax**, scientific, indigenous and land and water management matters

B. Legal and Financial Advice

1. Do not give individualized legal, financial or tax advice when providing transaction-related information
2. **Recommend in writing that each party to a land or conservation agreement transaction obtain independent legal, financial and tax advice**

- EGP requires legal documents to verify ownership and/or signing authority
- Estate donations can be certified as Ecological Gifts and follow the same process as other donations

Tip: Ensure that you are working with the legal landowner and/or ALL parties that have legal authority to make decisions about the donation. Title verification is an important first step for any donation involving real property.



EXPROPRIATION



STANDARD 11: Conservation Agreement Stewardship

STANDARD 12: Land Stewardship

1. If a conservation property [or conservation agreement] is threatened with expropriation:

a) Work diligently to avoid a net loss to conservation values and document the actions taken

b) **Provide prompt notification to relevant parties, including expropriating authority and Environment and Climate Change Canada**, if the conservation agreement is certified as an ecological gift

- Change in use and disposition provisions apply for proposed expropriation activities involving certified Ecological Gifts
- The EGP has worked with recipients and expropriating authorities in the past
- Expropriation legislation varies by jurisdiction

Tip: Attempt to find out as much information about the proposed expropriation as soon as you learn about it.

Contact your regional coordinator to discuss specific expropriation scenarios involving Ecological Gifts.



YEAR END

STANDARD 5

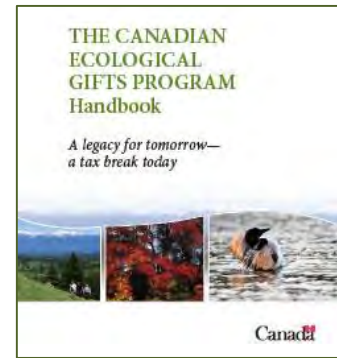
B. Accountability to Donors

2. Provide timely written acknowledgment of all gifts, including land and conservation agreements, in keeping with Canada Revenue Agency charitable receipting requirements, as appropriate

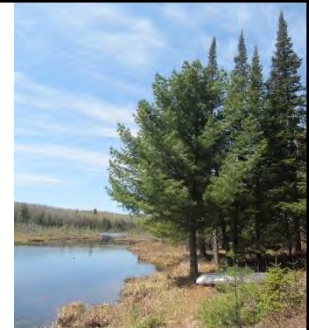
- CRA: Issuing receipts: www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/issuing-receipts.html
- EGP Appraisal Review and Determination can take up to 90 days.
- The date of donation is the date the donation is made, specifically when the land is transferred or the conservation easement agreement is registered on title. The date on the EGP *Statement of Fair Market Value* is not the date of donation.
- Tax benefits can be used for the calendar year in which the donation is made.

Tip: Plan ahead and start the EGP process early in the year.

EGP submissions 1&2 (ecological sensitivity and appraisal/application) should be in by mid-September to ensure sufficient time for *Appraisal Review and Determination* prior to year end.



ZERO TAXABLE CAPITAL GAIN



STANDARD 10

A. Landowner Notification

2. Where appropriate, **inform potential donors about the Ecological Gifts Program including**

a) The increased tax benefits associated with making a gift under the program

- While for most gifts the taxable portion of the capital gain is 50%, in the case of an Ecological Gift, there may be **no taxable capital gain**

Additional tax benefits

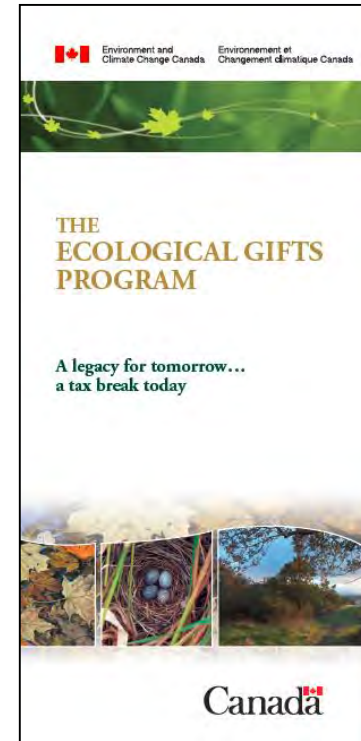
- Non-refundable tax credit for individuals
- Deduction from taxable income for corporate donors
- In most provinces, a reduction in federal tax payable will also reduce provincial tax
- Any unused portion of the donation can be carried forward for 10 years

Tip: Read and share the EGP ***Donation and Income Tax Scenarios*** publication with donors and advisors in early discussions.



EGP RECIPIENT ELIGIBILITY

- full contact details
- an explanation of the **mission of** the organization (and primary purposes “the **conservation and protection of Canada’s environmental heritage**”) and some examples of the types of projects it undertakes
- the organization’s Charitable Registration Number and a complete certified copy of the organization’s Letters Patent, incorporation papers or other governing documents that include the full statement of objects or purpose
- an expression of the organization’s willingness and demonstration of its **financial and human resource capacity to receive and manage Ecological Gifts**
- evidence that the organization has **adopted**, or has committed to **adopt, national or provincial guidelines to** direct its land acquisition and management practices
- a **dissolution or winding-up clause** that is compatible with the requirements of the Ecological Gifts Program



RESOURCES

Ecological Gifts Program

<https://www.canada.ca/en/environment-climate-change/services/environmental-funding/ecological-gifts-program.html>

Ontario Regional Coordinator: Laura Kucey

Publications

- [Application form for Appraisal Review and Determination of an Ecological Gift](#)
- [Donations and Income Tax Scenarios](#)
- [Confirmation that Ecogifts are Eligible for Split-receipting](#)
- [Disposition or change in use of Ecological Gifts](#)
- [Ecological Gifts Program Brochure](#)
- [Engaging an Appraiser to Appraise an Ecological Gift](#)
- [Retaining the Right to Use Land Donated as an Ecological Gift](#)
- [Ecological Gifts Program Handbook](#)

Canada Revenue Agency (CRA)

1-800-267-2384

- [Gifts and Income Tax - website](#)
- [Gifts and Official Donation Receipt](#), IT-110R3
- [Guidelines on Split-Receipting](#)

