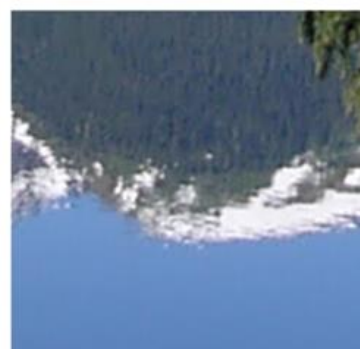




# Land Conservation with Public Benefits: Incentives, Funding, and Process Supports in Canada

## Preliminary Results



# Acknowledgements

At the Alliance of Canadian Land Trusts (ACLT), we express our gratitude for the lands, sky, and waters stretching across Canada, and the animals and plants who call it home. We are grateful for their beauty and bounty, and we thank Indigenous peoples who were and are the traditional guardians of this land. We are grateful for the land, sharing of knowledge, medicine, and much more.

Canada has been home since time immemorial to the ancestors of the First Nations, Métis people, and Inuit. As a national organization, ACLT operates in various parts of Canada, and we acknowledge that many of ACLT's employees and volunteers are settlers working and living on traditional territories of the First Peoples of this land.

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We are pleased to work with our Coalition partners in the Municipal Protected Area Project, Indigenous communities, municipalities, environmental organizations, and land trusts.



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*Ce rapport est aussi disponible en français.*

## Positionality and Report Review

The author, Ian Attridge, is a settler of Celtic heritage living and working in Nogojiwanong (Peterborough, Ontario) in the territory of the Michi Saagiig Nishnaabeg. As an ecologist and lawyer, he has founded, operated, and advised many land trusts and assisted their land projects. He has written extensively and helped develop the legal and incentive framework for land securement/holding in Ontario and beyond. He currently chairs the Board of the Ontario Land Trust Alliance and supports Indigenous land trusts through ACLT and otherwise.

This report has been prepared to provide preliminary findings on its subject matter – incentives, funding, and processes to support land conservation across the country. Besides the author, the Land Trust Alliance of British Columbia and ACLT directors, staff and subcontractors have contributed to the research. The perspectives of Indigenous people, the provincial land trust alliances, municipalities, and others familiar with the subject have not yet been fully reflected in the report. Undoubtedly, the report, its recommendations, and its applications could benefit from such perspectives. Accordingly, ACLT has plans to make this report publicly available and to also seek consultation and discussion with others to round out and enhance the report.

Please contact ACLT at [info@acoc.ca](mailto:info@acoc.ca) for more details.

# Table of Contents

- Acknowledgements ..... 2
- Positionality and Report Review ..... 3
- 1. Background ..... 5
- 2. Land Conservation Activities and Need for Support ..... 8
- 3. Assistance for Land Conservation Work ..... 10
  - a) Property Taxation ..... 12
  - b) Land Transfer Taxation ..... 14
  - c) Income Taxation ..... 15
  - d) Funding Sources ..... 16
  - e) Support through Land Processes ..... 17
- 4. Municipal Benefits from Conservation Supports ..... 18
  - a) Financial Benefits ..... 18
  - b) Non-Financial Benefits ..... 19
- 5. Collaboration Towards Implementation ..... 21
  - a) Strategies and Considerations ..... 21
  - b) Recommendations ..... 24
- Appendix A: Land Conservation Incentives and Funding in Canada ..... 27

# I. Background

This report focuses on land conservation and the tax incentives, funding programs, and processes that help support this work. Here is presented a range of land conservation activities and needs, some of the supports in place for this work (including a detailed survey of provincial/territorial/federal incentives and funding in Appendix A), land conservation’s public benefits, and approaches and recommendations to enhance such supports. This is a challenging time of climate crisis, biodiversity loss, Indigenous-settler reconciliation, infrastructure needs, and other substantial challenges. In such a context, the conservation work of municipalities, Indigenous communities, land trusts and land holders is increasingly important and can address solutions to such multiple challenges.

The research and report have been conducted by the Alliance of Canadian Land Trusts (ACLT), the mission of which is to support and empower land trusts across Canada to be vibrant, unified, and effective in advancing land conservation. The report has been developed under the joint Municipal Protected Areas Project (MPAP) that is delivered by a Coalition led by Nature Canada and includes the Alliance of Canadian Land Trusts (and their regional alliance partners — Land Trust Alliance of British Columbia (LTABC), the Ontario Land Trust Alliance (OLTA), and Quebec’s Réseau de milieux naturels protégés (RMN)), BC Nature, Ontario Nature, and Wildlands League. The Coalition’s focus is to: 1. Work with pilot municipalities across Canada that have demonstrated a readiness to create or increase their protected areas; 2. Help expand or establish new protected areas under municipal jurisdiction; 3. Raise general awareness to contribute towards international and federal targets of conserving 30% of terrestrial lands and inland waters by the year 2030<sup>1</sup> within municipal master plans, 4. Help municipalities to add their protected areas and Other effective area-based conservation measures (OECMs) to the national database in order to contribute to Canada’s 25x25 and 30x30 conservation goals; 5. Promote the importance of urban and peri-urban protected areas for human health and biodiversity; 6. Promote Indigenous conservation efforts in conjunction with municipal actors; and 7. Develop civic pride for conservation contributions of communities to the national effort.

Financial incentives, funding, and process supports can make land conservation easier and more extensive in the service of our communities and conserving biodiversity. This is recognized at the international level through the Global Biodiversity Framework (GBF), signed in Montreal in December 2023 by many countries, including Canada. As noted above, the GBF’s Target 3 is to protect 30% of Canada’s land and inland waters by the year 2030, while Target 22 supports equity, inclusion, Indigenous and local communities’ rights, culture and knowledges. Such results are supported through various tools and mechanisms relevant here, including: phasing out or reforming incentives that are harmful to biodiversity (Target 18); and “substantially and progressively increase the level of financial resources from all sources” through domestic and private resources, stimulating innovative schemes, optimizing co-benefits, and collective actions by Indigenous and local communities (Target 19). Section I-15 further recognizes that:

The full implementation of the Framework will require the provision of adequate, predictable and easily accessible financial resources from all sources on a needs basis. It further requires cooperation and collaboration in building the necessary capacity and transfer of technologies to allow Parties, especially developing country Parties, to fully implement the Framework.

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<sup>1</sup> Under the *Convention on Biological Diversity*, the [Kunming-Montreal Global Biodiversity Framework](#) identifies this “30x30” objective in its Target 3, which is [supported by the Canadian government](#).

Canada has committed to these targets, to be implemented through the National Biodiversity Strategy and Action Plan. A new Strategy for 2030 is being developed, and its Milestone document includes the following pillars:

- Recognizing, upholding, and implementing the rights of Indigenous peoples and advancing reconciliation;
- Committing to urgent, ambitious, and transformative action;
- Ensuring a whole-of-government approach;
- Fostering a whole-of-society approach;
- Empowering on-the-ground action;
- Using the best available science and knowledge; and
- Applying an ecosystem approach and holistic perspectives.

These principles are relevant and inform how to enhance land conservation efforts across this country.

Central to this report is the role of land trusts and their associations. A land trust is typically a non-government, not-for-profit, charitable, or equivalent organization that works to hold and care for lands for the long-term conservation of nature, cultural heritage, or other public purposes in their communities. As not-for-profit organizations and charities, they rely substantially on private donations, government grants, and volunteers to carry out their work. They are distinctive as conservation organizations since they focus on land holding and care (often called securement and stewardship<sup>2</sup>), including the donation of land title and restrictions<sup>3</sup> through associated incentives. This may be for a variety of purposes, as typically set out in their founding documents, such as protection or conservation of: natural and ecologically significant sites and features; agricultural lands and practices; working forests; outdoor recreation such as trails; and culturally significant lands. Indigenous land trusts may have similar purposes, as well as others important to their communities, such as cultural and language revival, special sites, ceremony, education, and the like. Community land trusts and their Canadian Network are somewhat different again, with their focus on community-based housing and tenant participation in governance. The Alliance of Canadian Land Trusts is recently formed, with the B.C., Ontario and Quebec provincial alliances being both participants in ACLT as well as supporting regional/local area land trusts. ACLT and its provincial alliances include about 150 regional and local land trusts across the country.

As important partners in conservation, municipalities play key roles, with many opportunities to directly support and align with land conservation. Among others, these roles include:

- Establishment and care of municipal parks and other open spaces and corridors;
- Land use planning and permitting that guide both open space locations as well as development, and the design and implementation that can enhance these land use relationships and access and benefits for residents;
- Wider or specific planning for municipal directions, such as overall strategic, reconciliation, neighbourhood, events, services, infrastructure, utility, and health planning;
- Setting budgets and property and related taxes, typically through municipal by-laws;

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<sup>2</sup> I have chosen the words land “holding” and “care”, since these are more aligned with Indigenous relationships with land. They imply more of an equal relationship with land, and less acquisition of and domain over land. Such terms are now suggested by the [Alliance of Canadian Land Trusts](#), among others.

<sup>3</sup>These have different informal and legal terms, such as Conservation Easements, Conservation Easement Agreements, Conservation Covenants, and Servitudes.



- Relationships, goals, and advocacy with other governments and entities, including neighbouring Indigenous communities and governments, municipalities, regional authorities, collective associations, and provincial/territorial and federal governments;
- Creation, mandates and practices of agencies, including how they operate and how they hold and care for lands;
- Funding and associated resources (facilities, staff) for municipal priorities, agencies, and community initiatives;
- Qualification to receive donations of land and funds, and issue tax receipts to donors; and,
- Making political and corporate commitments to initiatives.

As this report documents and advocates, municipalities have considerable experience and scope to frame, support, and influence land conservation within their jurisdictions. Further, through their influence and example, they can inspire actions through partnerships and outside their limits. Indeed, such efforts within and beyond their boundaries will produce benefits for their residents and visitors.

Private and community land holders play significant roles in land conservation, primarily through their ongoing care of the lands and waters, and with and to whom they might share or pass on those responsibilities in the future. Keeping their interests in mind and finding ways to direct supports to them will encourage and advance conservation efforts over time.

Indigenous communities are playing key and renewed roles in land conservation. These include:

- Setting priorities for conservation of both natural and cultural sites;
- Bringing Indigenous knowledges and practices into land holding and care processes;
- Adding lands to reserves and “private” land holdings as part of land claim settlements, with associated funding;
- Reasserting their responsibilities, rights, and culture through the Land Back movement;
- Engaging with neighbouring and regional organizations and governments at all levels; and,
- Applying limited Indigenous taxation exemptions.

Unfortunately, the colonial Indian Act, its separation and constraints on Indigenous communities, and other legislation have significantly limited Indigenous communities’ abilities and eligibilities for a variety of tax incentives and funding programs. This is discussed later in this report under Strategies and Considerations.

Along with such financial limitations we are increasingly learning that “conservation” has a colonial history, and this history is reflected in the worldviews embedded in the tenure, commodification, and tax measures for lands. ACLT acknowledges this colonial history and legacy and is seeking to understand, unpack, illuminate, and shift this trajectory in its work, including through this report.

## 2. Land Conservation Activities and Need for Support

Land conservation involves a variety of activities, many of which could benefit from enhanced financial and other support. Such activities include: planning for strategic sites, purchasing or receiving donations of lands, engaging and educating the community, and caring for the lands -- with or without structures or active public access.

Municipalities, Indigenous communities, land trusts and other entities are involved in many of these activities for both the lands they specifically acquire for conservation purposes and those held for other purposes.

These activities then translate into certain types of costs for land holding and care, such as:

### **STRATEGIC PLANNING AND RESEARCH FOR LANDSCAPES, PARTNERS, AND PRIORITIES**

#### **PROPERTY PURCHASE PRICE**

#### **TRANSACTION COSTS**

- Indigenous consultation
- Due diligence, e.g. land use planning, contamination, encumbrances, neighbouring uses, other consultation
- Ecological inventories and historical research to substantiate value and tax incentives
- Financing, e.g. borrowing or mortgage costs, funding/incentive administration, donor recruitment and costs
- Land transfer taxes
- Appraisal of land financial values
- Legal advice, e.g. transaction structure, preparing documents, registering on title
- Surveying costs
- Severance costs, e.g. land use planning, expert studies, severance application
- Tax advice and preparation, e.g. transaction structure, advice, documentation

#### **LAND CARING COSTS**

- Annual property or land taxes
- Long-term stewardship endowment funds
- Inventories and monitoring
- Land access, e.g. roads, trails, fencing, signage
- Land care, clean up, and restoration
- Community education and training
- Volunteer recruitment and management
- Building maintenance and security
- Preparations for new uses
- Land administration, e.g. for taxes, incentives, funding, permits, government reporting.

Some expenses arise from internal staff, equipment, and material costs to do the work, while others are paid externally. Of course, not all of these will apply to a particular project, nor do all come due only once or at the outset, with some arising later on or continuing year after year. Still, many such expenses will be incurred and, cumulatively, provide a substantial cost and limitation for organizations pursuing land conservation. These may indeed become higher and more of a barrier as land prices and interest rates rise, land use



planning more readily facilitates development and associated higher land values, and governments' and donors' contributions are reduced by inflationary pinches, among other factors. Higher cumulative costs will thus reduce the number of land conservation projects and supportive staff that an organization can sustain to provide public benefits.

Accordingly, this paper focuses on financial incentives and also funding sources, processes, and other supports that may reduce or address such costs and thereby enable municipalities, Indigenous communities, land trusts, and their partners to carry forward more and diversified conservation projects.

### 3. Assistance for Land Conservation Work

In the context of the above-noted costs for land conservation, it is fortunate that there are various types of assistance which can support this work. The benefits primarily arise from reducing transaction or tax costs, thereby resulting in more resources available to the organization to further its mission and land holding and care work. As noted above, a survey of these tax incentives is found in Appendix A.

It can be helpful to consider how to classify the main types of supports available in the land conservation process, especially to recognize different land use, organization, tenure, and taxation/cost applications. This framework contemplates a broad range of land types and organization purposes involved in holding and caring for land for community benefits.

Thus, assistance measures can be classified through different lenses, as follows:

#### **LAND USE TYPE:**

- Indigenous purpose lands (reserves and “private” lands)
- Ecological lands
- Cultural heritage lands
- Agricultural lands
- Recreational lands
- Scenic lands
- Educational uses
- Other lands

#### **ORGANIZATION TYPE:**

- Indigenous Bands, corporations, or community organizations, or bodies functioning as a government (for income tax purposes)
- Not-for-profit and/or charitable corporations, for public benefit
- Conservation organizations
- Municipalities and agencies
- Federal, provincial, or territorial governments or agencies
- Other, specified organizations

#### **TENURE TYPE:**

- Indigenous title, unceded or Crown lands
- Privately “owned” (fee simple)
- Conservation easements, covenants, and servitudes
- Leases and other partial interests

#### **TAXATION/COST TYPE:**

- Property, real estate, or land taxes
  - Assessment class
  - Assessment valuation
  - Taxation
  - Exemptions, reductions, or rebates

- Land transfer taxes
  - Transfers at donated or nominal value
  - Transfers at fair market value
  - Exemptions, reductions, or rebates
- Income Taxes
  - Indigenous situations
  - Federal
  - Provincial/territorial
  - Exemptions, reductions, or rebates
- Fees and requirements
  - Land use planning fees and requirements
    - Severance application fees, requirements
    - Park/environmental, transit, road, and other land dedication requirements
    - Required expert studies
  - Exemptions, reductions, or rebates

Municipalities can play significant roles in contributing support to land conservation within this framework. Depending upon the provincial or territorial legislation within which they are working, municipalities have opportunities to set budgets, some tax rates and exemptions, rebates, funding programs, and processes for land planning, holding and caring. They also have the ability to influence neighbouring jurisdictions, their own associations, and other governments, and set priorities and examples that can have wider impacts.

In their increasingly dynamic environment, municipalities can bring together community and external expertise to learn more about and act for land conservation and its multiple applications and benefits. Indigenous communities need to be involved, and increasingly are identifying priorities and co-driving municipal initiatives on their traditional territories<sup>4</sup>. Conservation organizations can also contribute to this discussion, bringing expertise, additional financial leverage, donors, volunteers, and public outreach to address both opportunities and challenges. Collective understanding, engagement and advocacy can then foster an enhanced framework for land conservation at the local and wider levels.

The particular interests of Indigenous communities also need to be considered in these support programs. Indigenous communities are exempt from taxation on reserves but, on “private” lands, tax systems don’t reflect or respect their needs; municipalities and senior governments can make interim administrative and partnership adjustments while working towards longer term reforms. Philanthropic funding support for Indigenous communities and organizations is also very low<sup>5</sup>, thus needing higher profile and connections to carry out their important conservation and cultural work.

Support programs need to be designed to work for individual land holders, as well. This can involve targeted measures, qualification for tax incentives or funding, advisor education, and streamlined administration. Land conservation provisions in tax programs can attract interest and encourage land holders to care for and pass on the lands in a good way.

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<sup>4</sup> Ian Attridge, *Potential for Partnerships: Indigenous Communities, Municipalities and Environmental Groups Working Together*, Alliance of Canadian Land Trusts, 2024.

<sup>5</sup> Redsky, Sharon et al., *Canadian charities giving to Indigenous Qualified Donees—2018* (2021).

In this report's discussion, the focus will be on property (or land) taxes and land transfer taxes and the incentives available to municipalities, Indigenous communities, land trusts and land holders that reduce such taxes. Nonetheless, other lenses and items will be considered that may affect the broad scope of conservation activities, such as the scope of organization eligibilities. These could well be explored further in future research.

## a) Property Taxation

### General Taxation Process

Property taxation involves several steps and decisions in the process. First, the land within each municipality is classified into various categories or classes (e.g. agricultural, residential, commercial, industrial). Most of these classes of land are valued at the land's fair market value, the value at which it would sell on the open market. Some classes, often those that are used for farming or woodlots, may be required to be assessed at their value in their current use or if sold for farming purposes and not for development purposes<sup>6</sup>. Slightly different methods are used for this agricultural or current use value assessment, depending on the province or territory.

Once the class and value assessment method have been determined, then the land parcel is valued, including any parts of it that may be in different classes. The property tax payable is then calculated by multiplying the land's assessed value by the tax percentage for that class (the "mill rate" set by the municipality, or by the province or territory in areas without a municipality) to raise income to meet annual budgets. Provincial or territorial rules may further apply to adjust these rates. If the land holder is not satisfied with the classification, assessed value, and resulting taxation, there are usually avenues for administrative review by officials and, if necessary, a formal appeal to a tribunal or court.

Opportunities for incentives that support land conservation thus arise at the various points in the process. In some cases, exemptions from assessment or taxation apply to the type of land use and/or to the type of land holder. Partial interests, such as conservation covenants, easements, servitudes, or leases, may have additional rules that reflect who holds them and their impact on land values. Such incentives thus assist land holders (i.e. private individuals, corporations, or land trusts) in keeping their operational costs low by avoiding or paying lower property taxes every year. Municipalities are usually exempt from property taxes, since they are often the entity receiving the taxes. For land holders and organizations providing public benefits like land conservation, such incentives encourage them to keep their lands and uses within the incentives' definitions and requirements, and thus keep the lands as some form of open space or otherwise provide recognized public benefits. Reflecting this, some jurisdictions provide for a tax penalty or repayment of past reduced taxes if the land use later changes. Such incentives also recognize that open space lands typically have low demand and cost for municipal services, unlike developed lands.

Property taxation for conservation easements, covenants, servitudes, agreements and similar restrictions remains uncertain. Most provincial legislation does not address these types of interests "in gross", meaning

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<sup>6</sup> Indeed, this appears to be the case in almost every U.S. state, as reported by the [American Farmland Trust](#).

that, unlike common law covenants and easements, they do not relate to nearby land. Some legislation addresses common law types, but this often leaves open interpretation questions. While income tax valuation has been clarified for Ecological Gifts of such interests, using appraisals of the land with and without the interest (“before-and-after”), there has not been much progress on property tax recognition or incentives for such interests over the last 25 years<sup>7</sup>.

## Notable Examples

For property taxation, municipalities are typically exempt from taxation on their lands. There are several programs that are particularly aligned to encourage land conservation, or otherwise are of distinct interest for related purposes:

- Tax exemption of Indigenous reserves and land claim lands (NT, and others);
- Tax exemption of designated or otherwise protected natural, wildlife, or conservation areas on private lands (ON, QC, NS, PE);
- Tax exemption of a broader suite of ecologically significant types of lands where these are held by a land trust or equivalent organization (ON);
- Tax exemption or grants for non-profit and charitable organizations’ lands (BC, AB, PE);
- Recognition and tax exemption of natural scenic and aesthetic lands (AB);
- Permissive tax exemptions for historic places or resources (YT, NT, NU);
- Property tax abatements for heritage property restoration projects that increase the value of the property (BC, AB, NB, municipalities);
- Permissive tax exemptions by municipalities for certain land or organization types (BC, AB);
- Assessment value adjustments for lands subject to conservation easements, covenants, or servitudes (BC, ON); and,
- Property tax reductions where a conservation covenant protects a natural area (BC, PE).

It is also quite notable that Indigenous organizations, such as Bands or land trusts, and their distinctive needs and uses, have little specific recognition in property tax legislation and programs for the “private” lands where such taxation applies. Indigenous reserves (and federal lands) are typically exempt from such taxes, and interpretation might be extended to fit Indigenous organizations within types designed for other purposes<sup>8</sup>. There appears to be no consideration that Indigenous organizations may wish to hold “private” lands, off-reserve, or that land claims settlements with senior governments often enable and fund private land acquisition. Even if some of these lands are destined to become additions-to-reserve, until a certain step is realized in that process (typically many years along), those purchased or donated lands will remain subject to property taxation and erode land claim and Band funds, unless other reductions or exemptions also apply. This situation seems particularly absurd when one considers the range of other organizations or situations that are typically or specifically exempted in property tax legislation<sup>9</sup>. On a different note, in a few communities across this continent, Indigenous land trusts and other organizations invite residents to make

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<sup>7</sup> See: Ian Attridge, *Conservation Easement Valuation and Taxation in Canada* (North American Wetlands Conservation Council (Canada), Ottawa, 1997), Report No. 97-1. Note that the States of Maine and New Hampshire have assessment reductions if there is a conservation easement on title.

<sup>8</sup> For example, Alberta’s exempted “ethno-cultural organization” or “residents association”.

<sup>9</sup> For example, the following types of organizations or situations: the Boy Scouts, cemeteries, mining buildings, theatres, and amusement rides (Ontario’s *Assessment Act*, ss. 3-6.1).

payments or donations to them of a portion of their land value as “rent” or restitution for lands once taken from their original caretakers.

## **b) Land Transfer Taxation**

### **General Taxation Process**

Provinces and territories, and sometimes a municipality, often levy a tax when the ownership and related interests in land transfer from one owner to another. This is typically a small percentage of the fair market value of the lands paid for the transfer. Some exemptions from this tax may apply and there may be rules that deem, or assign, a full or proportionate value to the transfer to prevent creative schemes to circumvent the tax. Considerable revenue is available to the province or territory, cumulatively in the millions of dollars, given the land values and number of such transactions per year.

Regarding land transfer taxes, most local or regional land trusts are primarily engaged in receiving donations of lands. Thus, when transferred at a nominal value, there typically will be no tax paid, regardless of the transfer tax rate (“anything multiplied by zero is zero”). Some provinces may specify that the tax is paid on the assessed value, not actual value transferred, and some only have a fee to register the change in land holding. Nonetheless, more funding programs and donors are enabling land purchases by land trusts and municipalities, and thus land transfer tax could be substantial on high value, multi-million dollar land projects. Where these are government-funded purchases, the government may both pay for the purchase price and associated land transfer tax, and then collect the tax back. This is inefficient for both governments and land trusts, and points to the need for a tax exemption.

The U.S. has a somewhat different approach to land transfer taxes. Often, portions of these taxes are directed into dedicated state funds for open space, wildlife, recreation, and other land-based programs. Thus, as development increases in an area, the increased values and numbers of transactions then provide more transfer taxes to support land conservation. In Canada, we tend not to have dedicated accounts and consolidate most public revenues into one pot, thus allowing politicians to have more flexibility in allocating monies through an annual budget.

### **Notable Example**

While donations of land may not usually be affected by land transfer tax, it is thus still important to examine and address land transfer taxation for land purchases or where deeming rules result in levying the tax. From our study, there is one particularly good example of where incentives exempt or reduce land transfer taxes:

- Exemption of property transfer taxes on a land transfer to a registered charity, to Status Indians or Indian Bands and lands, and farmlands to family or a farm corporation (BC)<sup>10</sup>.

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<sup>10</sup> A similar approach is also found in the State of Maine.



## c) Income Taxation

Income tax plays a significant role in many conservation organizations' work and is led by federal law, along with related provincial income tax law. This significance is based, first, on the fact that municipalities, Indigenous communities, and land trusts are typically a type of "qualified donee" such as a registered charity or public bodies carrying on the functions of government. These types of organizations do not pay income tax and may issue tax receipts for gifts.

Second, the federal Income Tax Act and its detailed provisions provide the framework for income taxation and how, specifically, donations of money, lands or other property can be applied to reduce donors' taxes – a substantial incentive to do so. The materials of the Canada Revenue Agency and others elaborate many of these details.

Third, a critical tax incentive to encourage land holders to donate lands is the Ecological Gifts Program (EGP). Where land is determined to be ecologically sensitive (i.e. significant), is donated to a conservation charity or government, and the value of the lands is appraised and approved by Environment and Climate Change Canada (ECCC), then a tax receipt can be issued for the donation that has enhanced benefits compared with most other types of gifts. These benefits include: a higher amount that can be claimed against taxes in each year, a longer time period over which to claim them, exemption of capital gains (land value increases) from taxation, confirmed value of the donation in advance of filing tax returns, and ECCC monitoring and ensuring that the lands remain as conservation lands held by eligible recipients.

Further, the EGP provides certainty in the eligibility and valuation of conservation easements, covenants, and servitudes. It also can apply where there is a partial donation and partial sale of lands, called a "split receipt". It is worthwhile to note that the ecological gifts concept was first developed as a provincial income tax program in Québec in 1994, a year before it was adopted federally. This points to the value of innovation, complementarity, and comparison of tax programs so that beneficial approaches can be developed for other jurisdictions.

Besides this program for ecologically valuable lands, there are other specific income tax programs with different applications of potential interest for various types of land conservation. Among others, these include:

- the ability of American taxpayers to donate lands in Canada for conservation to prescribed donees, such as American Friends of Canadian Land Trusts (a U.S. charity), and obtain reduced taxes in Canada and full tax benefits in the U.S.;
- cultural gifts for items, and rarely lands, that are of significant cultural value and controlled from export; and,
- capital gains exemptions for farmland transfers (now more limited) and principal residences.

There are opportunities to improve various elements of these income tax programs. Some suggestions are found in the recommendations section of this report.

## d) Funding Sources

As noted above, this paper is focused on a few taxation types (property/land and transfer taxes). Nonetheless, funding sources that align with the full scope of various types of organizations, activities, and costs (including the payment of taxes) can certainly be beneficial and will be essential for an organization to achieve its core land-based mandate. It is also important to keep grant application, administration, renewal, and reporting requirements to a manageable level, since the staff time to carry out these functions may well substantially eat into the amount and availability of the funding for the purposes for which it was granted. A survey of conservation-related funding programs by the provincial, territorial and federal governments is found in Appendix A: Conservation Incentives and Funding Supports.

It should be noted that, unlike many other publicly-beneficial services (such as health care, community and emergency services, and economic development), conservation and land care are generally not a legislatively mandated service or program, nor do they have as direct and immediately noticeable effect on humans. Accordingly, land conservation is typically not well funded from public budgets, and usually not at a comparable scale to other community interests. Thus, organizations carrying out land conservation need to rely more on seeking discretionary government grants and non-government and philanthropic sources. Of course, municipalities can also add taxes and fees to support their financial needs.

Beyond funding per se, organizations can also benefit from volunteer labour as well as in-kind contributions. These might be business team days, agency secondments, equipment use, donated or reduced cost materials, office and storage space, other shared facilities, and the like. Again, any mechanisms to reduce land conservation costs will lighten the effort and amount of funding then required.

Various examples and sources of funding for conservation programs are included below and in Appendix A. This is not a comprehensive list, nor does it cover sources for the full range of activities and costs identified earlier. Still, it enables a preliminary scan of the sources, types, and applications for some funding programs.

### Notable Examples

Of particular note are some funding programs that closely support land conservation activities:

#### **FEDERAL:**

- Indigenous Guardians Program to support Indigenous care of protected areas
- Ecological Gifts Program as an income tax incentive for land donations
- Habitat Stewardship Program to fund practices to enhance species at risk habitat
- Land Trusts Conservation Fund (LTCF) to fund land trusts' capacity building and ecological land acquisition

#### **PROVINCIAL:**

- funding ecological land acquisition by land trusts — Land Trust Grant Program (AB), Greenlands Conservation Partnership Program (ON), Crown Share Land Legacy Trust (NS)
- funding for wildlife habitat enhancement (SK, ON, QC, NB, NS, NL)

- supporting grasslands and ranchlands – conservation organizations like Ducks Unlimited Canada, Birds Canada, Saskatchewan Stock Growers Foundation, Manitoba Habitat Heritage Corporation programs (AB, SK, MB).

In addition, there are a variety of other government and private funding sources with less direct application for land conservation, but which nonetheless provide substantial funds for related purposes. These include:

- Other government funds in various programs;
- The Green Municipal Fund (substantial federal funds to address climate change and administered through the Federation of Canadian Municipalities);
- Private and family foundations (e.g. Metcalf and Weston families);
- Corporate and professional foundations (e.g. Royal Bank of Canada – Tech for Nature, TD Friends of the Environment, Alberta Real Estate Foundations);
- Local and regional community foundations, as members of Community Foundations Canada;
- Larger conservation organizations that can provide grants (e.g. land trust alliances, Ducks Unlimited Canada, Wildlife Habitat Canada); and,
- Other private and community philanthropists.

## **e) Support through Land Processes**

Along with tax incentive programs and funding, a third way to support land conservation is to enhance the required processes by which organizations carry out their work. Considering the range of activities involved in holding and caring for lands, the processes of initial interest are:

- Landscape planning tools, such as access to land information and geographic information system (GIS);
- Land transfer processes, including legal documents and procedures;
- Government land surplus and transfer processes;
- Land use planning processes;
- Government reporting requirements, both for grants and organizational status; and,
- Other administrative requirements.

While this report does not explore the current or potential for enhancement of such processes among various jurisdictions, it is worthwhile for the land conservation community to engage with responsible and supportive municipalities and agencies around how to enhance and streamline these processes and thereby reduce organizations' operational time and costs and their need for external (and often expensive) technical advice. Some enhancements may well be integrated with taxation and funding programs as well as other administrative processes, as noted later in our recommendations.

## 4. Municipal Benefits from Conservation Supports

In some provinces and territories, conservation-oriented organizations have had success in putting in place incentives and funding, and sometimes processes, to support and streamline their land holding and care. This has often involved some hard lobbying and political compromises. And as politics shift, so may support for such gains.

Some may question the financial and other implications from such incentives, funding, and processes. Over time, such perspectives may prevent new supports or may lead to an undermining of existing mechanisms. This section of the report canvasses some of the financial and other benefits that occur when land conservation and care occur in communities and thus provides a bigger context to consider when such challenges and questions arise.

### a) Financial Benefits

Some may be concerned that property tax incentives will lower municipal revenues and thus increase the taxes levied on residential, commercial, or other types of land. Depending on the structure of the incentive, this may be partly true for a specific site but will likely not be so on a wider scale. This is because of several, well-documented reasons:

1. Conserved open space such as natural and agricultural lands and associated features, like trees, trails, and streams, add substantial value to surrounding lands. This then offsets or increases the overall assessed values and resulting taxes for the municipality. A recent review of studies found that:  
homes adjacent to naturalistic parks and open spaces are typically valued at about 8% to 20% higher than comparable properties ... declining to near zero at about 1/2 mile away; ... applying the average tree effect to all houses in Portland yields a total value increase of \$1.35 billion, potentially yielding increased annual property tax revenues of \$15.3 million across the city<sup>11</sup>.  
Environment Canada has found similar results in older studies of greenspace impacts on property taxes in Windsor and Hamilton, Ontario.
2. Open space lands and features have very little demand for municipal and related services, such as housing, recreation programs, community and emergency services, and the like. Houses on a small patch of larger open space lands typically pay a residential rate, reflecting the use and support of such services. Hundreds of Costs of Community Services Studies across the U.S. and some in Canada have shown that, for every \$1 paid in taxes, natural and agricultural lands cost only \$0.36 to service by the municipality<sup>12</sup>. They thus provide a net positive flow of funds to communities, not a drain. It is only residential lands that cost more to service (\$1.15) than they bring in in revenues.
3. Designated or otherwise heritage homes and buildings tend to sell more quickly and at higher prices than other properties, thus providing higher assessment and taxes for the property and neighbouring properties<sup>13</sup>. Thus, heritage property tax incentives are in part offset by these increased taxes.

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<sup>11</sup> University of Washington, *Green Cities: Good Health - Local Economics*.

<sup>12</sup> Julia Freedgood, *Cost of Community Services Studies: Making the Case for Conservation*, American Farmland Trust, 2002.

<sup>13</sup> Heritage Resources Centre, University of Waterloo, *Property Values and Taxes*, Heritage Conservation Briefs.

4. Open space and heritage buildings provide amenities and attract businesses and jobs to a community. These then both add to the commercial and industrial tax base and circulate more and higher incomes in the local economy<sup>14</sup>. This plays out in several ways:
  - i) Entrepreneurs and businesses are drawn to communities with enhanced amenities – “Eighty-two percent of corporate executives responding to a 2022 Area Development survey rated quality-of-life features as an important factor when choosing a location for a headquarters, factory or other company facility.”<sup>15</sup>;
  - ii) Employees and contractors have a second dividend in such areas, where they can enjoy the nearby parks, trails, heritage character, fresh air, wildlife, and stress reduction on top of their paychecks;
  - iii) A community with such amenities will attract visitors and tourism, thereby adding businesses, jobs and income to the community and its revenues.
5. Some provinces provide payments to municipalities to offset provincial services costs, including any loss of property tax revenues for particular incentive programs. These include Ontario’s Municipal Partnership Fund and Nova Scotia’s and Quebec’s grants to municipalities to reimburse conservation site property taxes. However, such incentive programs are typically a minute fraction of the tax base, with municipal budgets affected much more substantially by other income and cost lines.

Conservation incentives thus can have a net positive financial impact on municipalities, businesses, and land holders.

## **b) Non-Financial Benefits**

While concerns may arise around financial impacts of incentives and funding, it is worthwhile keeping in mind that land conservation activities contribute considerably to other benefits in communities. Depending on the type of activities and lands involved, these include:

1. Ecosystem goods and services maintained: these are the free functions and products of an ecosystem that maintain the health of our lives, food, and communities on open space lands. These include: water flow and quality, shoreline protection, oxygen production, nitrogen fixation and pollination for plant growth, and a host of others. The replacement costs of not keeping such open space services and benefits accumulate significantly and swiftly into the millions and billions of dollars<sup>16</sup>. Incentives to retain or restore more of such areas are a small price to pay in exchange for such valuable ecosystem services.
2. Health and wellbeing: lands held for conservation purposes provide aesthetic, recreational, physical and mental health benefits, even more so when public trails, events, and land care are actively encouraged.

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<sup>14</sup> U.S. National Parks and Recreation Association, 2022, [study](#): “Local public park and recreation agencies in the United States generated nearly \$218 billion in economic activity and supported almost 1.3 million jobs that boosted labor income by more than \$68 billion from their operations and capital spending in 2019. ... there were also substantial additional economic benefits in several areas: health and wellness, conservation and resiliency, property values, economic development, and visitor spending.”

<sup>15</sup> U.S. National Parks and Recreation Association, 2022, [study](#), as above.

<sup>16</sup> For example, see studies that found that the 2-million-acre Greenbelt in southcentral Ontario provides [\\$3.2 Billion in ecosystem services](#) per year. Indeed, it was such ecological services that convinced New York City and State to invest in protecting more of the Adirondack State Park and thus avoid ten times the costs for revamping their drinking water infrastructure.

3. Social cohesion through interaction: land conservation organizations and their partners are well known for being centres for volunteer land care and connections. With growing attention to diversity, equity, inclusion, reconciliation and justice, these organizations can build community, foster learning and knowledges, orient newcomers to place, and overall contribute to social integration and wellbeing. Their conservation lands are places to meet, share and interact. This is of immense value to communities and may further act as an attractant for businesses and economic value.



## 5. Collaboration Towards Implementation

With multiple benefits available, existing examples to consider, and various incentive and funding types needed, there is considerable work to do to better support conservation-oriented organizations in their land holding and caring work. Still, changes in incentive, funding and process programs likely will not come about without senior government support and often local municipal implementation. This then calls for coordinated and collaborative efforts along with clear information on the benefits. Below are some of the potential strategies for collaborative implementation and then specific recommendations drawn from this research.

### a) Strategies and Considerations

Taxes, finances, and government processes are not typically of interest to the general public, nor often to conservation professionals and organizations. Yet these supports have the potential to frame and foster considerable and sustained conservation through land holding and care. There is thus a need to translate and link publicly-visible and -supported goals into these mechanisms.

Several examples, among others, have shown how this can be done:

1. The Green Budget Coalition among 22 mostly national environmental groups annually presents timely, sophisticated and costed federal Budget proposals to the Minister and Department of Finance. The most recent 2024 Budget Recommendations makes an integrated pitch for financial support for Nature Protection and Recovery, Renovation Wave and Affordable Home Energy, Zero-Emissions Electricity, Sustainable Jobs, and Sustainable Agriculture. The Coalition describes its work as being “to collaboratively develop, refine, and promote a comprehensive set of detailed, strategic recommendations for the annual federal budget”. This combination and integration of skills and perspectives, with a polished case and follow-up, helps advance such programs and allows government to have a focal point for its analyses and responses.

Similarly coordinated budget-centred efforts have previously been led by, for example, the National Round Table on the Environment and Economy and more recently, Ontario budget advocacy by the Nature Conservancy of Canada and the Ontario Land Trust Alliance, among others. Coordinated efforts over a period of years to address barriers to donations of ecologically important lands and facilitate cross-border donations have been tremendously successful in establishing the federal Ecological Gifts Program<sup>17</sup> and an obscure but key federal income tax change to permit non-Canadian charities to be recognized as “prescribed donees” and land donors to receive helpful tax benefits in both Canada and their home country.

2. In the United States, coalitions of conservation and open space organizations have come together to find common ground and propose and achieve multi-million dollar funding initiatives at the state and

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<sup>17</sup> From the [Ecological Gifts Program](#) webpage: “Between the inception of the program in 1995 and March 31, 2024, 1886 ecological gifts valued at over one billion dollars have been donated across Canada, protecting over 248,000 hectares of wildlife habitat. Many of these ecological gifts contain areas designated as being of national or provincial significance, and many are home to some of Canada’s species at risk.”

regional levels to support land holding and care<sup>18</sup>. Often called ballot initiatives, these efforts put the proposal to a referendum that, when usually successful, become funded by the government. While such dedicated funds are less common in Canada and referenda on such initiatives are typically not authorized in provincial legislation, the process by which such coalitions develop and promote such initiatives can be informative to Canadians. This process can involve: doing extensive homework (research on demographics, land use, financing options and impacts, election data); measuring public opinion; designing a winnable measure (priorities, timing, funding size and mechanism, safeguards); and running a successful campaign (organizing, funding, media, and follow-up)<sup>19</sup>.

In Canada, the emergence of Regional Conservation and Climate Partnerships may become focal points for such collaborations, leveraging municipal, watershed, and other funds and expertise into more strategic conservation results. Examples include the Thompson-Nicola Conservation Collaborative and the Kootenay Conservation Program in British Columbia, the South of the Divide Conservation Action Program Inc. in Saskatchewan, the Appalachian Corridor in Quebec, with some discussions proceeding around the Rice Lake Plains and the Kawartha regions of Ontario.

These collaborative processes could help identify conservation supports and would require a sophisticated understanding of tax, finance, and land process systems. This will involve clear understanding of the programs of interest and their rationale and legal basis, including for those programs from other jurisdictions that may serve as a model. Among and across sectoral interests, conservation partners will need to clearly identify priorities, do the research, and make the detailed case for the specific measures they would like to achieve, and gauge the political and public means to win support.

Such initiatives also will need resources, skills, contacts, and political savvy to succeed. Indeed, these are investments towards results that have the potential to last for several years (e.g. funding) or become standardized elements as part of everyday business (e.g. tax and process measures). Institutionalized measures may take more effort but will have a longevity that will ease conservation work, year after year.

The earlier classification of support measures and examples above point to at least three further directions that can be important in such strategies. First is the need to consider the full spectrum of steps and savings in the land holding process, from strategic analysis to ongoing stewardship of lands. The conservation sector has focused primarily on the most immediate and current support opportunities, such as property tax, income tax, and grant funding for a few elements of the land conservation process. Without support for planning, transaction costs, and land care, at a practical level a project still may not proceed.

The second direction is to consider and incorporate a broader scope to embrace wider land types, applications and partners. This may well mean taking a more holistic, landscape-based approach that embraces both natural and cultural features and sites. Most locations will provide multiple values and benefits and play a role in the wider landscape.

Such a broader scope could also benefit from engaging a broader suite of partners than are found in most conservation projects. It means working with and respecting Indigenous nations and communities, the original

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<sup>18</sup> For example, the Trust for Public Land has had [tremendous impact](#) with this tool: 614 ballot measures passed, 83% of ballot measures approved, \$94.4 Billion raised in public funding, and 4 Million acres of land protected.

<sup>19</sup> For further details, see further descriptions of conservation finance by the [Trust for Public Land](#), and in Kim Hopper and Ernest Cook, *Conservation Finance Handbook: How Communities are Paying for Parks and Land Conservation*, Trust for Public Land (2004).

rights and responsibilities holders on the land. It means bridging challenges and sometimes history and personalities to find common cause among naturalists, recreational users, hunters and fishers, utilities, and the like. Overcoming politics and jurisdictional questions can bring governments and institutions at all levels into being part of the solutions to benefit their constituencies. Considering different knowledges, experiences, ages, and diversities can build approaches that benefit a wider circle in communities. Working towards alignment with related sectoral, organizational or other interests can be helpful in order to bring both grassroots and political diversity and support, including around the Cabinet or Council decision-making table.

The third direction is one of creativity. This is in part supported through wider scope, different experiences, and diverse participation. The conservation sector and partners have been working towards progress for awhile, and new approaches are needed to spark fuller, deeper support. What mechanisms are used in other sectors and places? Where might new or reallocated funds come from? Could reducing costs be easier to achieve than seeking more funding? Could consolidating or adding to existing programs be more efficient to establish and administer than starting from scratch? How could widening/repositioning the beneficiaries of programs enhance conservation results?

Here are some examples<sup>20</sup> of where creativity and comparisons might be helpful for conservation:

- Conservation funding for land holding and care have been sourced from non-conventional sources: lotteries, licence plate fees, cannabis licencing, or land transfer taxes;
- Environmental penalty, offsetting, or permitting funds have supported conservation projects and organizations;
- Real estate and lawyer deposit funds and interest have played important roles in funding research and pilot projects (such as in B.C.);
- Large funds or endowments have been established to provide sustained funds over extended timelines;
- Redirecting funds from those that subsidize environmentally harmful activities to those that can support land conservation efforts.

Another aspect is to identify the barriers to making progress. These may be:

- Lack of a champion within government to make a strong pitch for reforms;
- Perceptions that incentives may cost or shift municipal or senior governments revenue sources (despite considerable evidence to the contrary, as outlined earlier);
- Traditional practices or complicated administration in current tax programs that make them harder to change;
- Finance departments holding considerable power in governments and seeing themselves as close guardians of the purse strings, sometimes without detailed knowledge of conservation program benefits; or,
- Municipalities and other governments having other more immediate priorities and limited financing mechanisms.

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<sup>20</sup> My thanks to several sources for these: Guy Greenaway, *Sustainability for Alberta's 'Land Stewardship Fund': Case Examples, Options, and Recommendations* (Corvus Centre for Conservation Policy, Calgary, 2024);

A further and fundamental set of issues arises for Indigenous communities and their growing efforts towards land conservation and related purposes, namely legal barriers that often do not enable Indigenous communities and their organizations to take advantage of the tax, funding, and process benefits available to other conservation actors. For example, only persons and corporations can hold title to lands under most provinces' legislation, yet the Indian Act and courts do not recognize this capacity in Indigenous bands. Almost all property and land transfer tax legislation across the country do not provide specific exemptions for Indigenous bands or organizations, although they will for municipalities and other civic organizations. Some tax exemptions and funding programs will apply to registered charities, yet many Indigenous bands and organizations are recognized differently in the tax system as "public bodies" functioning as governments. While charities, municipalities, and public bodies are fairly equivalent designations all falling under the income tax umbrella of "qualified donees", provincial tax legislation is limited and does not typically recognize and enable the common designations used by Indigenous communities and organizations. Some Indigenous communities are not recognized or have uncertain status with the federal government.

One example will point to the barriers and disrespect an Indigenous community has to face, such as after a long overdue settlement of a land claim. The community will then receive funding from the federal and/or provincial governments to purchase lands to add to its reserve. However, unlike non-Indigenous organizations, the community is required to pay land transfer and property taxes that then erode the settlement funds. This will continue, often for twenty or more years, until the process is completed and the lands become designated a reserve. If the community decides not to add it to a reserve, or the lands not accepted by the federal and other governments as a reserve, then property taxes will be levied against the lands every year. With these limitations and barriers, a more detailed understanding and reforms are needed to align these incentives, funding, and processes to better support Indigenous-led land conservation.

Collaboration, addressing the full land holding process, expanding the scope of eligibility, becoming creative, and addressing barriers are all important factors towards enhancing supports for conservation activity. Ultimately, strategies will need to be grounded in the priorities, peoples, places, and politics where they apply. A general description (as here) for the country is merely an introduction and will require regional collaboration and focus to advance conservation support measures.

## **b) Recommendations**

Based on research in this report, a number of recommendations to foster an enhanced framework to support the work and public benefits of land conservation can be identified. These recommendations generally do not delve into the details of individual programs – best left to active organizations and their partners in such jurisdictions -- but are designed to foster a higher-level examination and discussion of ways to improve and strengthen this framework.

Municipalities, Indigenous communities, land trusts, and their organizations and allies should seek to:

### **General**

- I. Examine their jurisdiction's current incentives, funding, and processes, and draw on good examples documented in this report to advance a fuller, strategic suite of supports.

2. Conduct further analysis of the range of land holding funding programs and support processes to identify new opportunities for fuller coverage and streamlining administration, including advocating for measures that support Indigenous land trusts and communities.
3. Collaborate across open space interests (Indigenous, natural, agricultural, forestry, recreational, health, spiritual) to increase understanding and influence.
4. Consider the upcoming report by the House of Commons Standing Committee on Indigenous and Northern Affairs on land back and restitution to Indigenous communities, and identify and advocate for ways that incentives, funding, and processes may better align and assist Indigenous communities and land trusts in carrying out their goals and land back.
5. Consult with Indigenous peoples, organizations, and other partners on a land conservation support and policy agenda and make efforts to implement it.
6. Recognize and learn about the distinct position, worldviews, and needs of diverse Indigenous peoples, communities, and organizations, including Indigenous land trusts, and tailor definitions, incentives, funding, and processes accordingly.

## Property or Land Taxation

7. Address all major types of public interest uses, organizations, and tenures in current property tax incentives, expanding on the limited scope existing now.
8. Exempt Indigenous Bands and organizations, including land trusts, from taxation for land holding on “private” lands. Alternatively, create a rebate program for taxes paid by them from the federal and/or provincial governments.
9. Apply agricultural/open space valuation to all open space uses, not just agricultural uses. This is currently the case in Alberta and Ontario.
10. Revise property taxation to require proportionate reductions in property assessment to reflect the impact on land values of conservation easements, covenants, and servitudes. This is currently the case in B.C. and, informally, in Ontario.
11. Exempt from land transfer taxes those transfers of lands to charitable and equivalent organizations for public purposes. This is currently the case in B.C.

## Income Tax

12. Recognize formally in the Ecological Gifts Program Indigenous-valued ecological sites as qualifying as “ecologically sensitive”, and also that traditional, historical and contemporary Indigenous uses do not constitute a change in use subject to tax penalties.
13. Adopt into the Ecological Gifts Program or create new donation programs for Indigenous, agricultural<sup>21</sup>, and cultural heritage lands, including exemptions for capital gains and streamlined administration.
14. Establish income tax deductions or credits for the donor’s costs of donating land to qualified donees (appraisals, legal, planning, survey, etc.), including for split receipts and to prescribed donees and public bodies functioning as governments<sup>22</sup>.

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<sup>21</sup> See elaboration in the Green Budget Coalition’s *2024 Budget Recommendations*, p. 28, and research by the [Ontario Farmland Trust](#).

<sup>22</sup> These costs can be applied to reduce the adjusted cost base and thus reduce capital gains for purchases; however, there is no such benefit available to the donor for gifts of lands, particularly where capital gains are exempted under the Ecological Gifts Program, in donations to U.S. charities as prescribed donees, and in other circumstances.

## Funding

15. Develop enhanced and sustained funding that covers land conservation planning, operations, securement, capital/purchase, and stewardship costs.
16. Engage with government and private funders to collectively advocate for tax incentives and processes to support funded projects<sup>23</sup>.
17. Advocate for the use of ballot initiatives to enable dedicated conservation funding, given the huge conservation funding successes in the U.S.
18. Expand grantee eligibility, particularly for Indigenous and equity-seeking groups at early stages in their organizational development and status.
19. Work with funders to reduce/streamline grant administration and extend funding over more than one year, thereby reducing application and administrative burdens.
20. Redirect funds which subsidize significant polluters and the oil industry towards environmental benefits through land conservation programs.

## Processes

21. Prioritize Indigenous, charity and equivalents, and conservation opportunities in government land disposition and approvals processes, such as in land surplus and municipal tax arrears sales.
22. Streamline administration of processes affecting conservation organizations' land holding and care.
23. Exempt or reduce approval conditions, study requirements, processes, and fees in policy and practice for land projects for public purposes, such as in land use planning or dispositions.

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<sup>23</sup> For example, recruit government funders to promote land transfer tax exemptions, since it is often the same governments that give funds for and then take back such taxes.



# Appendix A: Land Conservation Incentives and Funding in Canada

## British Columbia

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>City of Victoria Heritage Tax Incentive Program</b></p> <hr/> <p><b>Natural Area Protection Tax Exemption Program (NAPTEP)</b>            The Natural Area Protection Tax Exemption Program (NAPTEP) is a joint program between Islands Trust and Islands Trust Conservancy that provides a financial incentive to choose land protection over development in the Gulf Islands area. When a conservation covenant is registered through NAPTEP, an annual property tax exemption of 65% applies on the protected portion of the land. There is a recapture charge if the tax exemption is cancelled, or the covenant is breached.</p> <hr/> <p><b>Revitalization Tax Exemptions</b>            Section 226 of the Community Charter provides authority to exempt property from municipal property value taxes. To use this authority, a Council must establish a revitalization program (with defined reasons for and objectives of the program, such as sustainability), enter into agreements with property owners, and then exempt their property from taxation once all specified conditions of the program and the agreement have been met. Exemptions may apply to the value of land or improvements, or both. Councils are free to specify, within their revitalization programs, the amounts and extent of tax exemptions available. Revitalization tax exemptions are limited to municipal</p>	<p><b>Habitat Conservation Trust Foundation</b>            Funding for conservation projects and public education about BC's natural assets. Focuses on fish and wildlife habitats.</p> <p><b>Conservation Financing Mechanism</b>            Provincial, Parks Foundation and crowd-sourced funds will support Indigenous-led conservation projects for important ecosystems.</p> <p>Several municipalities have land acquisition funds developed from various sources, such as in: the <u>Capital Regional District</u>, <u>Cowichan Valley Regional District</u>, <u>Regional District of Okanagan Similkameen</u>, <u>Regional Districts of East and Central Kootenay</u>, and <u>Metropolitan Vancouver Regional District</u>.</p>	<p><b>Islands Trust Act</b></p> <p><b>Property Transfer Tax Act</b></p>

<p>property value taxes and do not extend to school and other property taxes, such as parcel taxes. An exemption may be granted for up to 10 years.</p>		
<p><b>Local government permissive tax exemptions</b></p> <p>Local governments have the authority to exempt eligible properties from property taxation for a specified period of time. Such exemptions must be provided by bylaw. Permissive exemptions are different to statutory exemptions, which are automatic and therefore not at the discretion of a local council or board.</p> <p>A permissive tax exemption may be provided to an eligible property by bylaw at the discretion of a municipal council, and in some cases, a regional district board. Local governments may provide such exemptions for periods of up to 10 years.</p> <p>Eligible properties may include:</p> <ul style="list-style-type: none"> <li>▪ Property owned or held by a charitable, philanthropic, and non-profit corporation and used for the purposes of the corporation</li> <li>▪ Property owned by a local authority and used for the purposes of that local authority (e.g. property owned by Municipality X but located within the boundaries of Municipality Y)</li> <li>▪ Properties owned or held by a public authority that is not statutorily exempt from taxes</li> <li>▪ Properties occupied by a public authority or non-profit organization but owned by a different public authority</li> <li>▪ Properties owned by a person (including a business, society, or corporation) providing a partnering agreement, but only in relation to the provision of the agreement.</li> </ul>		

<p>The authority to grant permissive exemptions allows municipalities and regional districts to promote or achieve goals, such as:</p> <p>Encouraging certain development that are deemed to benefit the community, such as:</p> <ul style="list-style-type: none"> <li>▪ Supporting non-profit groups that provide services to the community that help meet municipal council's objectives</li> <li>▪ Supporting heritage properties if conservation has been identified as important to the community's character</li> <li>▪ Supporting riparian properties that help meet municipal conservation and environmental goals</li> <li>▪ Providing additional exemptions to statutory tax-exempted properties, such as places of worship, to include the ancillary lands surrounding the exempted properties.</li> </ul> <p><b>Property Transfer Tax Exemption</b> For lands subject to a conservation covenant, the property transfer tax is exempt.</p>		
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## Alberta

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Property Tax</b></p> <p>Property taxation is outlined in the <i>Municipal Government Act</i> and its more detailed regulations. Property taxation is generally based on market value assessment, with agricultural land values used for defined farming operations and also lands with woodland management plans and forestry use. Property tax is levied through a municipal by-law.</p> <p>All municipalities have the ability to tax conservation properties at the agricultural value, but few if any have done so.</p> <p>Relevant land use tax exemptions include: environmental and conservation reserves (municipally owned in subdivisions), agricultural operations and some farm residences and buildings, lands with an approved woodland management plan, and certain forestry operations. See: <a href="#">Tax Exemption Guide</a>.</p> <p>Certain types of organizations' lands are also exempt, such as many non-profit, community association or residents' associations, as well as municipalities, parks, museums, schools, universities, and colleges. These exemptions are typically not used by land trusts. The definitions of "non-profit" and "ethno-cultural" organizations, as well as "resident associations", may be broad enough to encompass certain types of Indigenous organizations. Limited public access requirements may apply to such organizations' lands. Detailed requirements for these exemptions and reductions apply, and may vary by geography, with some municipalities having enhanced scope</p>	<p><b>Wetland Replacement Program</b> Municipalities and non-profits can apply for funding to construct or restore wetlands.</p> <hr/> <p><b>Land Trust Grant Program</b> Land Trusts can apply for funding to conserve ecologically important areas to prevent habitat fragmentation, maintain biodiversity and preserve native landscapes. Applies to new conservation easements, but not land title purchases.</p> <hr/> <p><b>Rangeland Sustainability Program</b> Organizations can apply for grant funding for projects promoting the conservation and long-term sustainability of Alberta's rangelands.</p> <hr/> <p><b>Watershed Resiliency and Restoration Program</b> Apply for funding for projects that enhance watershed resiliency to floods and droughts.</p> <hr/> <p><b>Alberta Conservation Association</b> The Association funds <a href="#">land securement and care</a> for important habitat sites, and <a href="#">compensation and damage prevention</a> programs for landowners.</p> <p><b>Land Stewardship Centre</b> The Centre provides <a href="#">Watershed Stewardship Grants</a> for local projects that help ensure a safe, secure drinking water supply, healthy aquatic ecosystems and reliable, quality water supplies for a sustainable economy.</p> <hr/> <p>Birds Canada <a href="#">Grasslands Conservation Incentives Guide</a></p>	<p><b>Municipal Government Act</b></p> <p><b>Matters Relating to Assessment and Taxation Regulation</b></p> <p><b>Community Organization Property Tax Exemption Regulation</b></p> <p><b>Alberta Land Stewardship Act</b></p>

<p>or discretion to grant some incentives.</p> <p><b>Alberta Conservation Easements</b></p> <p>If a conservation easement is on land that is assessed at the municipal level as 'agricultural', then property taxes are assessed at that lower rate.</p> <p>Land Transfer Tax and Fee While there is no land transfer tax in Alberta, a small Land Titles Fee is charged on the registration of the transfer.</p>	<ul style="list-style-type: none"> <li>▪ <u>Canadian Agricultural partnership in Alberta:</u> <ul style="list-style-type: none"> <li>• <u>Resilient Agricultural Landscape Program</u></li> </ul> </li> <li>▪ <u>Ducks Unlimited Canada – Alberta</u> <ul style="list-style-type: none"> <li>• <u>Marginal Areas Program</u></li> <li>• <u>Wetland Restoration Lease Program</u></li> <li>• <u>Conservation Easements</u></li> <li>• <u>Forage Program</u></li> <li>• <u>Revolving Land Conservation Program</u></li> </ul> </li> <li>▪ See the website of the <u>Regional Land Trusts of Alberta</u> for other land trusts and programs.</li> </ul>	
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## Saskatchewan

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Municipal Heritage Property Designation (MHPD)</b> Any building, structure or site that is of interest for its architectural, historical, cultural, environmental, archaeological, palaeontological, aesthetic, or scientific value may be designated as a Municipal Heritage Property under <u>The Heritage Property Act</u>. These are eligible for tax and grant incentives, noted below.</p> <p><b>Saskatoon Tax and Grant Incentives for MHPD:</b></p> <ul style="list-style-type: none"> <li>▪ Property tax abatement up to 50% of the costs where a proposed conservation project generates an increase in the existing property taxes. (Up to a maximum of \$150,000).</li> <li>▪ A Grant up to 50% of the costs where a proposed conservation project does not generate an increase in the existing property taxes or in the case of tax-exempt properties. (Up to a maximum of \$150,000 for taxable properties and \$75,000 for tax exempt properties).</li> <li>▪ Maintenance Grants up to 50% of an eligible project. (Up to a maximum of \$2,500).</li> <li>▪ Municipalities may provide grants or tax relief to any person or organization with respect to heritage property, its development or appreciation.</li> </ul> <hr/> <p><b>The Fish and Wildlife Development Fund</b></p>	<p><b>Ducks Unlimited Canada – Saskatchewan</b></p> <ul style="list-style-type: none"> <li>▪ <u>Conservation Easements</u></li> <li>▪ <u>Wetland Restoration</u></li> <li>▪ <u>Marginal Areas Program</u></li> <li>▪ <u>Forage Program</u></li> </ul> <hr/> <p><b>Habitat Enhancement Program</b> Nature Saskatchewan offers a habitat enhancement program to improve habitat for Burrowing Owls, Piping Plovers, Sprague’s Pipits, and Ferruginous Hawks. Habitat enhancement can take place through native seeding, wildlife-friendly fencing, alternative water development, and/or protective fencing around existing Ferruginous Hawk nesting platforms/trees. Ideal sites are areas adjacent to or near by an existing pasture (tame or native).</p> <ul style="list-style-type: none"> <li>▪ For native seeding, wildlife-friendly fencing, and alternative water development projects, the landowner provides 50% of the project cost and Nature Saskatchewan provides 50% of the project costs.</li> <li>▪ For Ferruginous Hawk protective fencing around existing nesting platforms/trees, Nature Saskatchewan provides 100% of the project costs.</li> </ul> <hr/> <p><b>Saskatchewan Stock Growers Foundation</b></p> <ul style="list-style-type: none"> <li>▪ <u>Reverse Auction For Grassland Restoration</u>: The landowner is able to put a price on what it will cost them to convert land back to native grasslands and be maintained in perennial cover for a minimum of 30 years. The</li> </ul>	<p><b>The Municipalities Act</b></p> <p><b>Planning and Development Act</b></p>

<p>The FWDF uses interest on its revenues to pay rural municipalities grants-in-lieu of taxes on FWDF-owned lands managed for wildlife habitat and public access.</p> <p><b>Conservation easements</b></p> <p><b>Land Transfer Tax and Fee</b> While there is no land transfer tax in Saskatchewan, a small Land Titles Fee is charged on the registration of the transfer.</p>	<p>SSGF will source and purchase the native seed blend while the landowner is responsible for all other costs including land preparation and seeding, controlling invasive weeds, loss of profit and changes in land value during and after restoration.</p> <ul style="list-style-type: none"> <li>▪ <b>Term Conservation Easements:</b> The Saskatchewan Stock Growers Foundation Inc. will be offering “term conservation easements” as one of their conservation tools. Minimum terms are suggested at 25 years, but they are flexible and can be re-negotiated once the term is up. Historically, the amount paid to the landowner for a perpetual CE has been in the range of 25% to 33% of the fair market value of the property, as determined by an accredited appraiser. The amount paid for a Term Conservation Easement is under investigation. There are a number of ways a landowner can be compensated for granting a conservation easement including: <ul style="list-style-type: none"> <li>• Provision of a tax receipt for a donation (only applies to in perpetuity easements);</li> <li>• Payment for the CE (usually a pre-set percentage of the FMV of the land);</li> <li>• Split receipt (a combination of tax receipt and payment); or</li> <li>• Special consideration of a development proposal.</li> </ul> </li> </ul> <p><b>Fish and Wildlife Development Fund</b> Grant funding may be applied to protect habitat through stewardship and land title purchase or conservation easements. Funds come from 30% of hunting, trapping, and angling licence fees, and individual donations through a licence account.</p>	
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## Manitoba

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Riparian Tax Credit</b> green program initiated by the Manitoba Department of Finance – the first of its type in Canada. This property tax credit is 100% voluntary. It aims to encourage farm operators to upgrade their management of lakeshores and river and stream banks – and it recognizes those who have already done so. Benefits are available to agricultural and livestock producers across Manitoba who agree to make a five-year commitment to protect a strip of agricultural land along a waterway.</p> <hr/> <p><b>Dufferin Wetlands Tax Credit</b> The Rural Municipality of Dufferin offers landowners a \$40 per acre property tax credit for retained or restored wetlands</p> <p><b>Land Transfer Tax and Fee</b> Land transfer tax is payable in Manitoba along with a small fee for the registration of the transfer. Transfers of farmland to farmers, or transfers to registered charities or for the benefit of Indian Bands, are exempt from the land transfer tax.</p>	<p>Birds Canada <u>Grasslands Conservation Incentives Guide</u></p> <ul style="list-style-type: none"> <li>▪ <u>Ducks Unlimited Canada – Manitoba</u></li> </ul> <p><b>Conservation Agreements</b></p> <p>The Agreement is between the landowner and The Manitoba Habitat Conservancy within which the landowner agrees to retain the natural habitat. For this, the landowner receives a tax receipt or cash payment.</p> <hr/> <p><b>Manitoba Government Grants:</b> The <u>Conservation and Climate Fund</u> provides support to projects occurring in Manitoba that incorporate actions to address and adapt to a changing climate and protect the environment in alignment with the priorities and implementation of the Climate and Green Plan.</p> <p>The <u>Conservation and Grow Trusts</u> focus on funding stewardship activities, but their Land Donation Support Fund may support transaction costs to secure land title and conservation easements; the fund is managed by the Manitoba Habitat Conservancy.</p> <p>The <u>Manitoba Fish and Wildlife Enhancement Fund</u> provides funds for wildlife population and habitat enhancement, stewardship, and land securement for critical habitats or hunter and trapper access. Funds come from an endowment and 10% of hunting, trapping, and angling licence fees.</p> <p>The <u>Heritage Grants Program</u> helps Manitobans identify, protect, and interpret Manitoba’s human and natural heritage. Eligible projects include</p>	<p><b>The Municipal Act</b></p> <p><b>The Planning Act</b></p> <p><b>The Environment Act</b></p> <p><b>Manitoba Fish and Wildlife Enhancement Fund Act</b></p> <p><b>Tax Administration and Miscellaneous Taxes Act</b></p>



	<p>Collections Management, Conservation, Exhibitions, and programs (of a non-recurring nature) that seek to identify, protect, or interpret Manitoba’s human and natural heritage. Eligible projects also include Interpretive Signs, Research and Special Initiatives (innovative heritage projects not included above).</p> <hr/> <p><b>Winnipeg Heritage Conservation Incentive Programs:</b></p> <ul style="list-style-type: none"> <li>▪ Heritage and Economic Development Incentive Program</li> <li>▪ Gail Parvin Hammerquist Fund City-Wide Heritage Program</li> <li>▪ Heritage Conservation Grant Program – Fully Subscribed</li> <li>▪ City of Winnipeg Heritage Conservation Tax Credit Program – Fully Subscribed</li> </ul>	
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**Ontario**

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p>Ontario assigns lands into classes and applies market value assessment, except for agricultural and managed forest classes. Four programs provide varying levels of tax relief for managed forests, conservation lands, farmlands, and heritage properties, as summarized below.</p> <p><b>Managed Forest Tax Incentive Program (MFTIP)</b> The program encourages good forest management and conservation by giving a property tax reduction (25% of residential rates) to eligible landowners who prepare and follow an approved Managed Forest Plan. Such lands are also assessed at agricultural land values.</p> <p><b>Forests on Farms</b> Land used for forestry purposes on a farm is exempt from property taxation up to a rate of one acre for every 10 acres of farm, over multiple parcels, up to a maximum of 20 acres or a prescribed higher number (currently 30 acres).</p>	<p><b>Ducks Unlimited funding for Managed Forest Tax Incentive Program (MFTIP)</b> Landowners who qualify for Ontario’s <u>MFTIP</u> and have an existing wetland that meets our criteria can apply to DUC for a 40% reimbursement (up to \$600) toward an approved Managed Forest Plan. The wetland must be a minimum of five acres (two hectares) and meet DUC’s criteria for waterfowl habitat</p> <hr/> <p><b>Species at Risk Stewardship Program</b> To conserve the province’s rich biodiversity and promote environmental stewardship, the Ministry of the Environment, Conservation and Parks (“Ministry”) provides annual funding through the Species at Risk Stewardship Program (“SARSP”) for projects that contribute to the protection and recovery of species at risk and their habitat.</p>	<p><b>Assessment Act and Regulation 282/98</b></p> <p><b>Municipal Act, 2001</b></p> <p><b>Provincial Land Tax Act</b></p> <p><b>Conservation Land Act</b></p>
<p><b>Conservation Land Tax Incentive Program (CLTIP)</b> The Conservation Land Tax Incentive Program recognizes, encourages, and supports the long-term private stewardship of Ontario’s provincially important natural areas. Under the Conservation Land Tax Incentive Program, portions of a property that have eligible natural heritage features may qualify for a 100% property tax exemption. The Community Conservation Lands category expands the types of eligible lands for conservation charities, such as land trusts and conservation authorities.</p>	<p><b>Caribou Conservation Stewardship Program</b> The Caribou Conservation Stewardship Program is a new stewardship program to support implementing projects that maintain and recover populations of <u>Boreal Caribou in Ontario</u>.</p> <hr/> <p><b>Ontario Soil and Crop Improvement Association programs</b></p> <ul style="list-style-type: none"> <li>▪ Honey Bee Health Initiative</li> <li>▪ Resilient Agricultural Landscape Program</li> <li>▪ On Farm Climate Action Fund (OFCAF)</li> <li>▪ Species at Risk Partnership on Agricultural Lands (SARPAL)</li> </ul>	

<p><b>Farm Property Class Tax Rate Program (Farm Tax Policy)</b>  Qualifying farmland is assessed at farmland values and is taxed at no more than 25% of the municipality's residential tax rate. To qualify, lands must be assessed as farmland by the Municipal Property Assessment Corporation (i.e. not used for residential purposes), the lands are used for a farm business with annual gross farm income of at least \$7000, the farm has a valid Farm Business Registration number, and the lands are owned by Canadian citizens or permanent residents. Some exemptions from these requirements may also apply.</p>	<ul style="list-style-type: none"> <li>▪ Species at Risk Farm Incentive Program (SARFIP)</li> <li>▪ Maple Production Improvement Initiative</li> <li>▪ Agricultural Stewardship Initiative</li> </ul>	
<p><b>Heritage Property Tax Relief</b></p> <p>Municipalities can give tax relief to owners of eligible heritage properties by passing a by-law creating a heritage property tax relief program under the <i>Municipal Act, 2001</i>. The province shares in the cost of the program by funding the education portion of the property tax relief.</p> <p>The province gives municipalities the flexibility they need to adapt their program to local circumstances. For instance, municipalities can:</p> <ul style="list-style-type: none"> <li>▪ set the amount of tax relief they wish to offer (between 10% and 40%)</li> <li>▪ develop eligibility criteria in addition to those prescribed in the legislation.</li> </ul> <p>To be eligible for tax relief, a property must be a building, structure or a portion of a building or structure that is:</p> <ul style="list-style-type: none"> <li>▪ designated under <u>Part IV of the Ontario Heritage Act</u> or part of a heritage conservation district designated under <u>Part V of the Act</u></li> </ul>	<p><b>Ontario Community Environment Fund</b> directs funds from environmental penalties to important, community-based activities like shoreline cleanups, habitat restoration and tree planting.</p>	
	<p><b>Wetlands Conservation Partner Program</b> funding for projects that help enhance and restore wetlands, prevent flooding, and improve water quality.</p>	
	<p><b>Great Lakes Local Action Fund</b>  The projects focus on funding local projects to protect and/or restore the Great Lakes and/or their connecting rivers, and address at least one of the following priorities:</p> <ul style="list-style-type: none"> <li>▪ naturalization and restoration</li> <li>▪ protecting habitats</li> <li>▪ shoreline cleanup.</li> </ul>	
	<p><b>Greenlands Conservation Partnership Program</b>  The Program provides funds for land acquisition. The funding will help partner organizations and land trusts secure, restore and manage new protected wetlands, grasslands and forests areas and open additional natural spaces for Ontarians to enjoy.</p>	
	<p><b>Municipality Funds</b>  Among others, the regional municipalities of <u>Durham</u>, <u>York</u>, <u>Peel</u> and <u>Halton</u> all have land securement funds whereby they work with local conservation partners to identify natural heritage priorities and co-fund land acquisition.</p>	
	<p><b>Conservation Authorities</b>  Various Conservation Authorities have funds and materials for their own</p>	

<ul style="list-style-type: none"> <li>▪ subject to a heritage conservation agreement for the property.</li> </ul> <p>See the <a href="#">Guide to Heritage Property Tax Relief</a>.</p> <p>In addition, the <i>Assessment Act</i> provides exemptions for specific types of organizations (universities, colleges, Boy Scouts, veterans, Royal Canadian Legion, cemeteries, etc.).</p> <p>The Municipal Property Assessment Corporation has an informal policy to apply decreases in land values from conservation easement agreements to the assessed land value, based on appraised values, which often requires administrative or formal appeals.</p> <p>There is no transfer tax exemption for conservation or charitable land transfers in the <i>Land Transfer Tax Act</i>.</p>	<p>work and to support community organizations.</p>	
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## Québec

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Tax Exemption for Private Land Nature Reserves</b> Municipal and school property taxes are exempt for nature reserves on private lands recognized under the <i>Natural Heritage Conservation Act</i>. Also exempt are lands for the protection of wildlife or forests and situated in an unorganized territory that are owned, administered or managed by a public body.</p> <p><b>Fondation de la faune du Québec Funding program</b></p> <ul style="list-style-type: none"> <li>▪ Protecting wildlife habitats – part II Municipal and school taxes: a property tax refund is available to private landowners and conservation organizations of nature reserves</li> <li>▪ Municipal Biodiversity Fund: financial support is provided to municipalities to conserve local natural areas.</li> </ul>	<p><b>Fondation de la faune du Québec Funding program</b> examples :</p> <ul style="list-style-type: none"> <li>▪ <u>Taking action for wildlife</u></li> <li>▪ <u>Endangered Wildlife</u></li> <li>▪ <u>Wildlife-forest on privately-owned lands</u></li> <li>▪ <u>Program for the integrated management of sustainable development for wildlife in forest environments</u></li> <li>▪ <u>Program for the enhancement of biodiversity in agrarian environments</u></li> <li>▪ <u>Hydro-Québec program for the enhancement of natural environments</u></li> <li>▪ <u>Protecting wildlife habitats – part I Protection</u></li> </ul> <p>This is an important program for land trusts, who apply through it.</p> <p><b>Nature Plan 2030</b> Substantial federal-provincial funding to achieve global conservation targets (30x30), particularly in southern Quebec. It will rely heavily on non-profit conservation groups for delivery and will have various components.</p>	<p><b>Municipal Powers Act</b></p> <p><b>Act Respecting Land Use Planning And Development</b></p> <p><b>Natural Heritage Conservation Act</b></p> <p><b>Act Respecting Municipal Taxation</b></p>
<p><b>Land Transfer Tax</b> Land transfers of recognized private nature reserves are exempt from land transfer taxes. Land transfer taxes are collected by municipalities.</p> <p><b>Visa fiscal et Programme des dons écologiques</b> This program, initiated in 1994, provides a provincial income tax incentive for donations of full title or a real or personal servitude of ecologically valuable lands for conservation purposes.</p>	<p><b>Partnership for Natural Places Project</b> Managed through the Nature Conservancy of Canada, provincial funds are available to all conservation organizations for natural and protected areas in southern Quebec. Funds may be used for securing title or servitudes on lands to be recognized as protected areas and for stewardship.</p>	

## New Brunswick

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Exempted Organizations</b> Religious, cemetery, university, science, art, and historical organizations and provincial parks are exempted from provincial and local taxation on real property not used for commercial purposes. Land trusts holding conservation lands can apply to the Minister for an exemption from property tax.</p> <p><b>Heritage Place - Property Tax Abatement</b> By undertaking an approved restoration project to a designated heritage property, the Property Tax Abatement Program for Heritage Properties allows the owner to be forgiven a portion of the net increase in provincial and municipal property taxes resulting from the increase in the assessed value of the property for a four-year period.</p> <p><b>Real Property Transfer Tax Exemptions</b> Transfers of easements, and of real property deeds if made to a registered charity or the Crown, are exempt from transfer tax.</p>	<p><b>Environmental Trust Fund</b> Funding is for action-based projects focused on protecting, preserving, and enhancing New Brunswick’s natural environment.</p> <p><b>NB Wildlife Trust Fund</b></p> <ul style="list-style-type: none"> <li>▪ Wildlife Development Program</li> <li>▪ Biodiversity Conservation</li> <li>▪ Conservation Education</li> </ul>	<p><b>Local Governance Act</b></p> <p><b>Assessment Act</b></p> <p><b>Community Planning Act</b></p> <p><b>Conservation Easements Act</b></p> <p><b>Real Property Transfer Tax Act</b></p>

## Nova Scotia

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Conservation Property Tax Exemption</b> The conservation property tax exemption eliminates property and related taxes paid by private landowners who legally protect their lands as “conservation property” for ecological protection, including through conservation organization ownership, conservation easement, or designation as an Ecological Site or Wilderness Area. The program also eliminates change-in-use taxes for becoming a conservation property, but not for ceasing to be such a property.</p> <p>Farmland may be exempt from taxation and forest land used for forestry purposes pays a very low standard tax rate per acre. Change in use from these categories will result in a tax, with certain exceptions.</p> <hr/> <p><b>Municipal Government Act</b> This Act requires the Minister of Environment and Climate Change to every year reimburse each municipality in which a “conservation property” was exempt from taxation. A change in use tax is applicable on 20% of the value of the conservation property, or part, that changes use, except where it is transferred to the federal, provincial, or municipal government.</p> <p>Similarly, the Minister must reimburse municipalities for exempt farmland property.</p> <p>Municipalities, by policy, may exempt from taxation property held by a registered charity and used directly and solely for a charitable purpose.</p>	<p><b>Crown Share Land Legacy Fund</b> Provincial funds are granted to land trusts and others to leverage the acquisition of ecological lands.</p> <p><b>Canada-Nova Scotia Nature Agreement</b> This federal-provincial funding will support conservation of important habitat and species at risk sites on private and public lands, including support for Mi’kmaq-led efforts.</p> <p><b>Sustainable Communities Challenge Fund</b> is a provincial grant program for local action on climate change in Nova Scotia. It supports community efforts to reduce or remove greenhouse gas emissions, or to prepare for and respond to the impacts of a changing climate.</p> <hr/> <p><b>The Environmental Stewardship and Climate Change Program</b> supports the Agricultural sector in reducing greenhouse gas (GHG) emissions and adapting to the impacts of climate change. This program helps primary producers accelerate the adoption of priority beneficial management practices.</p> <hr/> <p><b>Habitat Conservation Fund</b> The Habitat Conservation Fund was established under the Nova Scotia Wildlife Act to help protect and enhance wildlife habitats. The fund is supported through the <u>Wildlife Habitat Stamp</u> purchased by hunters and trappers. People can also make monetary gifts, donations, and bequests to the fund. Sometimes land is acquired and sold so that the revenue can support the fund. The fund has 4 objectives:</p> <ul style="list-style-type: none"> <li>▪ enhancement of wildlife and wildlife habitats</li> <li>▪ land acquisition</li> </ul>	<p><b>Environment Act</b></p> <p><b>Assessment Act</b></p> <p><b>Municipal Government Act</b></p> <p><b>Wildlife Act</b></p> <p><b>Conservation Property Tax Exemption Act</b></p>

<p>The Municipal Government Act also exempts from local Municipal Deed Transfer Tax those properties transferred as a gift, to a municipality, and to a registered charity where the property is not used for commercial purposes.</p>	<ul style="list-style-type: none"> <li>▪ research on wildlife habitats</li> <li>▪ education on wildlife habitats</li> </ul> <hr/> <p><b>The Resilient Agricultural Landscape Program</b> helps improve the environmental resiliency of agricultural landscapes by accelerating the adoption of on-farm land use and management practices that maximize benefits for the environment and society.</p> <hr/> <p><b>The Low Carbon Communities (LCC) Program</b> supports community-led, innovative solutions to create long-lasting greenhouse gas reductions. The program provides funding for projects that support low-carbon solutions in buildings, electricity, transportation, and education.</p>	
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## Prince Edward Island

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>PEI Real Property Tax Act</b> All real property in the province that has been assessed pursuant to the Real Property Assessment Act is liable to taxation by the Minister. This is subject to the following exemptions from taxation: lands designated as either a natural area under the <i>Natural Areas Protection Act</i> or as a wildlife management area under the <i>Wildlife Conservation Act</i>. Buildings and structures, and an associated one acre, are not eligible for this exemption and are separately assessed.</p> <p>Various <u>property tax credit programs</u> are available, including for seniors (taxes deferred), farm use and buildings, and grants-in-lieu of taxes.</p> <p><b>Grants-in-Lieu of Property Taxes Program</b></p> <p>The purpose of the Grants-In-Lieu Taxes program is to provide limited financial support for approved non-profit organizations, community groups, or municipalities that are providing specified services in the community by forgiving (crediting) non-commercial provincial property taxes. Applications are based on need, approved by Treasury Board, and extend for 3 years.</p> <hr/> <p><b>Restrictive Covenants and Conservation Easements</b> The <u>Natural Areas Protection Act</u> can be used to protect land in perpetuity, while a conservation easement under the <u>Wildlife Conservation Act</u> may be time limited. Lands designated through restrictive covenants are</p>	<p><b>PEI Climate Challenge Fund</b> In 2020, the Government of Prince Edward Island established a \$1-million annual Climate Challenge Fund (CC Fund). The CC Fund is intended to support the development of innovative solutions to the threat of climate change</p> <hr/> <p><b>Buffer Zone Acquisition Program</b> A new program is designed to purchase and protect riparian buffer zones across PEI. Lands that fall within 50 meters of a watercourse or wetland are eligible</p> <hr/> <p><b>Carbon Capture Tree Planting Program</b></p> <hr/> <p>Federation of Prince Edward Island Municipalities' <b>Protecting Habitat: A Guide for Municipalities on Prince Edward Island</b></p>	<p><b>Municipal Government Act</b></p> <p><b>Planning Act</b></p> <p><b>Lands Protection Act</b></p> <p><b>Real Property Transfer Tax Act</b></p>

<p>exempt from property taxes; however, permanent buildings, structures and other developments will be excluded from the covenant.</p> <p><b>Real Property Transfer Tax Exemptions</b></p> <p>The following transfers are exempt from Real Property Transfer Tax if: made to Government, a municipality, or a registered non-profit organization; from a registered non-profit organization to the recipient as a gift, donation or prize; or the property value does not exceed \$30,000. Partial interests in real property, such as a conservation easement, are subject to the Real Property Transfer Tax in proportion to the full property value.</p>		
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## Newfoundland and Labrador

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Deed Registration Fees</b> The Crown is exempt from paying deed registration fees.</p>	<p><b>The Wildlife Habitat Stewardship Program</b> seeks to develop cooperative agreements with international, national, provincial, and municipal governments, non-government organizations, industry, and others for the delivery of stewardship initiatives related to the conservation of wildlife and wildlife habitat. This program area also represents the Province’s primary contribution to the implementation of the <u>Eastern Habitat Joint Venture (EHJV)</u> in Newfoundland and Labrador which leverages significant funds for conservation of wildlife and habitat in the province.</p>	<p><b>Municipalities Act</b></p> <p><b>Urban and Rural Planning Act</b></p> <p><b>Assessment Act</b> <b>Schedule of Fees, Registration of Deeds Act</b></p>

## Yukon

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Assessment and Taxation Act</b></p> <p>All real property is taxable, except for lands owned by the federal, territorial, or municipal governments, cemeteries, or lands held by religious bodies (except for local improvements and utility services).</p> <p>Real property located outside a municipality on which there is a historic site is exempt (except for local improvements and utility services).</p> <p>“Historic site” has the same meaning as in the Historic Resources Act, which includes historic resources, human remains, or an important illustration of (a) the historic or pre-historic development of the Yukon or a specific locality in the Yukon, or of the peoples of the Yukon or locality and their respective cultures; or (b) the natural history of the Yukon or a specific locality in the Yukon.</p> <p>The Commissioner in Executive Council by regulation may exempt any person or class of persons wholly or partially from their liability to pay taxes, and such regulation must be reviewed each year. The annual regulations list many community organizations and their lands and tax exempt amounts.</p>		<p><b>Municipal Act</b></p> <p><b>Land Planning And Development Act</b></p> <p><b>Assessment and Taxation Act</b></p> <p><b>Property Tax Exemptions (Societies and Organizations) 2022</b></p>

## Northwest Territories

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Property Assessment and Taxation Act</b></p> <p>Lands are organized into classes, assessed, and taxed.</p> <p>Federal, territorial, and municipal lands are generally exempt from taxation. The Minister or a municipality may exempt all or any part of land, improvements or mobile units used by incorporated societies (except a residence) or that is a historic place under the Historical Resources Act or designated as a heritage resource by a municipal council.</p> <p>This Act also exempts Indian reserves and specific land claim lands from taxation, and states that nothing in it shall be interpreted so as to affect aboriginal rights.</p>		<p><b>CITIES, TOWNS, AND VILLAGES ACT</b></p> <p><b>Community Planning and Development Act</b></p> <p><b>Property Assessment and Taxation Act</b></p>

## Nunavut

Tax Incentives	Grants/Funding/Other Incentives	Legislation and Regulations Consulted
<p><b>Property Assessment and Taxation Act</b></p> <p>Lands are organized into classes, assessed, and taxed.</p> <p>Federal, territorial, and municipal lands are generally exempt from taxation. The Minister or a municipality may exempt all or any part of land, improvements or mobile units used by incorporated societies (except a residence) or that is a historic place under the Historical Resources Act or designated as a heritage resource by a municipal council.</p>		<p><b>Property Assessment and Taxation Act</b></p> <p><b>Nunavut Planning and Project Assessment Act</b></p> <p><b>Cities, Towns and Villages Act</b></p>

## Federal

### Grants/Funding/Other Incentives

#### **Ecological Gifts Program**

This Program provides income tax incentives to donors of ecologically sensitive lands to eligible recipients, including conservation charities, public bodies, municipalities, and provincial and federal governments and agencies. Described further in the main text, these incentives include higher and longer tax credit claim limits, exemptions from capital gains tax, and assurance of ongoing conservation and covenant, easement, and servitude valuation.

Québec initiated the Ecological Gifts tax program through its own provincial tax system in 1994, and this inspired and was integrated with the federal Ecological Gifts Program a year later.

Other income tax measures support the donation of Cultural Gifts (usually not land), agricultural lands, and other types of “property”.

Federal income tax rates and measures are combined with provincially-set tax rates, enabling various levels of tax benefits. Alberta has the most generous provincial charitable tax receipt opportunities. Other federal taxes, such as the Harmonized or Goods and Services Tax, may also have measures that provide incentives or tax relief for conservation lands and organizations.

#### **Funding Programs**

A variety of funding programs are provided by Environment and Climate Change Canada, including those to address climate change, Indigenous capacities, plastics, species at risk, and water. Among others and directly applicable to Indigenous communities, municipalities, land trusts and similar conservation organizations, these include the Indigenous Guardians Program, Habitat Stewardship Program for Species at Risk, Aboriginal Fund for Species at Risk, the Land Trusts Conservation Fund (LTCF) under the Natural Heritage Conservation Program (NHCP), and the Municipality Fund for Biodiversity. Other funding is available for climate change measures (the Green Municipal Fund, Indigenous-led Natural Climate Solutions) and Community Tree Grants, along with others.