

Estate tax reduction to preserve un-fragmented forest land

Testimony by John H. Roe, Upper Valley Land Trust,
To House Committee on Natural Resources & Energy
2/17/16

Add the following section to Title 32: Taxation and Finance Chapter 190 Estate and Gift Taxes
Subchapter 003: Estate Tax

Section 7443b

For any undeveloped forested land parcel or area that is at least 100 contiguous forested acres in size and is at least partially within one or more Highest Priority Interior Forest Block, Highest Priority Connectivity Block, or a Physical Landscape Diversity Block, as defined at the time of easement recording by maps within the Vermont Conservation Design produced by the Agency of Natural Resources in December 2015, or its successor document and associated equivalent maps, the forested area shall not be taxed under section 7442a of this chapter, provided it meets the following additional conditions: 1) is subject to a donated conservation easement whose primary purpose in maintenance of interior forest conditions and which is held by a 501(c)(3) charity whose mission is the conservation of land; 2) the easement has been donated by the landowner prior to death or by a landowner's estate administrator after death between the dates of January 1, 2016 and January 1, 2021; and 3) the conservation easement language must be approved by the Vermont Agency of Natural Resources.

Any forested parcels, or aggregate of forested parcels and forested areas owned by the same landowner, meeting the above criteria but larger than 500 acres in aggregate forested area and with at least 50% of the forested area within one or more of the three maps defined above, shall, in addition to the provisions of the above paragraph, have their appraised fair market value subtracted from decedent's total gross estate value subject to Vermont estate tax under section 7442a of this chapter.