

None of them want to be the generation that lost it all.
- Christopher Tilghman

Introduction

Your family farm. The waterfowl that give you such pleasure to watch. The scenic vistas of the Chesapeake Bay. Three centuries of agrarian economy. Do you want your children and grandchildren to have the opportunity to enjoy these pleasures? Do you want to see it preserved? Are you busy planning for your own future? Eastern Shore Land Conservancy (ESLC) can help. Our Planned Giving Program, *Generations*, and our land preservation programs offer arrangements through which you can strengthen your own financial future and that of your descendants. At the same time, you protect your family lands and help to maintain farmland and woodlands throughout the Eastern Shore. Some of the ways to ensure this are:

Gifts of Conservation Easements

Description: A conservation easement is a legal agreement between a landowner and ESLC permanently protecting real property. A conservation easement limits development but leaves ownership in private hands. You have the opportunity to specify the precise terms and ESLC will monitor the property and enforce the easement in perpetuity. Conservation easements can take effect now or through your will.

Benefit: A gift of a conservation easement may generate savings in income tax, estate tax and property tax for you and your heirs as well as assure that your wish for the land's permanent protection is fulfilled. A well-planned gift may also avoid future conflict over a family-owned property.

Gifts of Land

Description: Consider leaving your family lands or other real estate to ESLC to further its mission. ESLC will ensure that all conservation values are protected in perpetuity.

Benefit: A gift of land may generate tax savings for you and your heirs. You also get the satisfaction of knowing your land will not be adversely developed, and will be permanently protected.

Bequests

Description: In your Will, you can leave a specific dollar amount, a percentage of your estate, or a specific asset of your estate to ESLC. Bequest provisions in a Will allow you to control the distribution of your estate and to preserve as much of the estate as possible through judicious use of tax-saving opportunities.

Benefits: A bequest allows you to retain full control of your estate during your lifetime, yet gives the satisfaction of knowing that it will ultimately benefit ESLC. *A bequest is not subject to state or federal estate taxes or inheritance taxes and can provide significant savings for heirs.*

Charitable Remainder Trusts

Annuities

Description: Charitable Remainder Trusts allow you to transfer stock, cash, securities, or other assets to a trust. The trust pays income to you and/or spouse, or any person you choose who is living at the time of the transfer. When the trust ends, the assets come to ESLC to help save land on the Eastern Shore. Transfer of assets to a trust removes them from your estate. By reducing the size of your estate, you lower estate taxes for your heirs.

Unitrusts

If you create a Unitrust, a fixed percentage (not less than 5%) of the net fair market value of the asset is determined annually, and then received by you or another individual. The percentage you receive each year will not vary, but the actual dollar amount will change from year to year depending on the fair market value of the trust's assets revalued annually. When the trust ends, the assets come to ESLC to help save land on the Eastern Shore.

Benefits: Trusts supply you or another whom you entrust with a stream of income for life or a set number of years. A charitable income tax deduction is taken in the year the gift is made, and you avoid capital-gains taxes on the transferred property. In addition, a portion of the trust assets are excluded from state and federal estate taxes and the trust assets are removed from probate.

How To

The ESLC has information and expertise to assist you in planning for the future of your land and your estate. Contact us at 410/827-9756 to discuss your situation and options.

The most useful type of bequest is unrestricted, permitting ESLC to allocate funds according to need. You may wish, however, to restrict your bequest to a particular program, such as the Land Rescue Revolving Fund, Stewardship Fund, or the Landowner Assistance Endowment.

If you wish to make a provision in your will, your lawyer can use the following language:

I give and bequeath _____ Dollars (\$_____) or _____% of my estate to the EASTERN SHORE LAND CONSERVANCY, INC. of Queenstown, Maryland.

Or

I give and bequeath _____ Dollars (\$_____) or _____% of my estate to the EASTERN SHORE LAND CONSERVANCY, INC. of Queenstown, Maryland, to be added to its Land Rescue Revolving Fund, Stewardship Fund, or Landowner Assistance Endowment.

While this brochure can help you understand the tax benefits associated with charitable giving, it should not be your sole source of tax information. Please consult ESLC and your tax adviser for guidance on your specific situation.

Each individual's tax situation is likely to be impacted by specific facts and circumstances that are beyond the control or knowledge of ESLC. Additionally, tax laws and regulations change frequently, and their application to a particular taxpayer's circumstances can vary widely. We strongly encourage you to consult with your tax adviser. ESLC disclaims any responsibility for the accuracy or adequacy of any position taken by donors in their tax returns.