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Ecological Gifts Program

Environment Canada's Ecological Gifts Program provides a way for Canadians with ecologically sensitive land to protect nature and leave a legacy for future generations. The program enables landowners to ensure the preservation of their land in partnership with organizations such as the Edmonton and Area Land Trust (EALT). The program offers significant tax benefits to landowners who donate land or a partial interest in land to a qualified recipient.

A qualified recipient can be a municipality, government or environmental charity with a main purpose to conserve and protect Canada's environmental heritage. The Edmonton and Area Land Trust is an approved recipient of ecological gifts, and has been involved in this process several times to acquire and protect land. After receiving an ecological gift, EALT ensures that the land's biodiversity and environmental heritage are conserved in perpetuity.

Tax Incentives and Benefits

The *Income Tax Act* provides favourable income-tax treatment for gifts of ecologically sensitive land and partial interests in land – often called ecogifts. This includes the provision of a non-refundable tax credit or deduction to donors, and a reduction in the taxable capital gain realized on the disposition of the property. The tax benefits from an ecogift can be carried forward for 10 years.

The tax benefits to an individual who makes an ecogift are based on the fair market value of the gift, as determined by an appraisal and certified by Environment Canada. To benefit from these provisions, the donor must include the following in his or her income-tax return: a Certificate for Donation of Ecologically Sensitive Land; a Statement of Fair Market Value; and an official donation receipt from the recipient.

Ecologically Sensitive Land

Ecologically sensitive lands are areas or sites that currently or could, at some point in the future, contribute significantly to the conservation of Canada's biodiversity and environmental heritage. Environment Canada certifies land as ecologically sensitive before it is donated to the Edmonton and Area Land Trust. Land that fits the following categories may qualify

- areas identified, designated or protected as ecologically important
- sites that have significant current ecological value, or potential for enhanced ecological value, as a result of their proximity to other significant properties



- municipal or rural lands that are zoned or designated for biodiversity objective
- natural buffers around water bodies, streams or wetlands
- areas that contribute to the maintenance of biodiversity and environmental heritage

Donation Options

Many ecological gifts are outright donations of land with no conditions attached (sometimes called fee-simple donations), where the Edmonton and Area Land Trust obtains full ownership and stewards the land in perpetuity.

However, making a gift of property does not necessarily mean severing the connection donors have with their land. In some situations, even though EALT owns the land, donors can still be involved in stewardship.

Another option is a conservation easement, where a legal agreement that is registered on title protects a property's conservation value by permanently placing terms and conditions on its use that are determined by the donor. Under the terms of the agreement, the donor continues to own the land and may live on it, sell it, or pass it on to heirs. The Edmonton and Area Land Trust ensures that the restrictions put on the property are followed in the future, regardless of who owns the land.

The Edmonton and Area Land Trust considers conservation easements where there is a future intention to bequest the land to EALT.

Further Information

The Edmonton and Area Land Trust highly recommends prospective donors consult with a tax professional when considering donating land or undertaking a conservation easement.

To learn more about participating in the Ecological Gifts program with the Edmonton and Area Land Trust, contact:

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For further information on Environment Canada's Ecological Gifts Program, consult their website <http://www.ec.gc.ca/pde-egp/> or contact the Prairie and Northern Region office:

Environment Canada
 9250 – 49 Street
 Edmonton AB T6B 1K5
 (780) 951-8826
 pde-egp@ec.gc.ca



* Information in this document is adapted from Environment Canada's Ecological Gifts Program website (<http://www.ec.gc.ca/pde-egp/>)

* Photos on page 1 courtesy of Betty Fisher

* Photos on page 2 courtesy of Dorothy Monteith