



American Friends of Canadian Land Trusts



Cross-Border Conservation Program – Overview for U.S. Donors

Background

Thank you for your interest in supporting land conservation in Canada! As you may know, many Americans greatly appreciate and enjoy the natural splendour of Canada and have acquired land or summer homes in Canada. Many are keen to support Canadian conservation organizations or to protect their Canadian land for conservation. Unfortunately, significant tax barriers prevented such support. The American Friends of Canadian Land Trusts (AF) is a new conservation organization, created to make such ‘cross-border’ conservation possible!

AF was established in 2006 to support land conservation in Canada, through cross-border conservation with U.S. residents. AF’s mission is “to protect, and to promote the protection of, the ecological integrity and other conservation values of the natural areas of Canada through securement of fee title and less than fee interests in land, stewardship, public outreach and education, and support of the conservation activities of Canadian land conservation entities and organizations.”

AF is a U.S.-based non-profit organization with 501 (c)(3) designation from the Internal Revenue Service and 509 (a)(1) public charity status.

Services for U.S. Donors

If you are a conservation-minded U.S. taxpayer who wishes to financially support a Canadian conservation organization, or who owns land in Canada with significant conservation values you’d like to see protected, AF can help you achieve your goals. AF provides the following cross-border conservation programs that support the work of Canadian conservation organizations while helping U.S. residents achieve both charitable and tax-planning objectives, and their land protection goals in Canada:

A. General Support Program: U.S. cash gifts (or securities) to Canadian Organizations

If you are interested in making a donation to benefit land conservation in Canada, AF’s general support program provides a mechanism for such donations to be tax deductible in the U.S.

Donation Procedures

When making your gift to AF, kindly follow these simple instructions:

1. Your check should be payable in U.S. funds, drawn on a U.S. bank, and made out to American Friends of Canadian Land Trusts (not to a Canadian conservation organization)
2. Send your donation to AF at the following address:
American Friends of Canadian Land Trusts
PO Box 4482
Seattle, WA 98194 USA
3. Include a “donation letter” that provides the information required by the IRS. A template letter is available at www.nsnt.ca/af. Either complete the template form letter, or use it to

create your own letter. In the letter you can recommend a grant to a specific Canadian conservation organization.

4. Grants can only be made to Canadian conservation organizations that are “eligible grantees” with AF. Contact AF or the organization you wish to support to confirm if it has already qualified and is in good standing with AF. You can make your gift at any time, even if your selected conservation organization has not yet applied.
5. The donation may not be for your membership dues/fees for a Canadian conservation organization. The donation must be a charitable contribution.

As per Internal Revenue Service (IRS) requirements for charitable giving, you may recommend that AF utilize your gift to make a grant to a qualifying Canadian conservation charity or government entity. As required by the IRS for cross-border organizations, AF must make an independent evaluation and decision about the grant recommendation.

Contributions and Fees

All contributions made to AF are acknowledged by letter indicating the tax deductibility of the contribution along with the AF’s tax identification number for your records. Since AF is a qualified exempt organization in the U.S. and assumes responsibility for the disbursement of the funds, all contributions are tax-deductible against U.S. income to the fullest extent of the law.

In order to minimize costs of processing and accounting, the minimum donation is \$200 US. When making grants to Canadian conservation organizations, AF will retain 5% of all contributions up to \$10,000 U.S. to fund the operation of its cross-border programs. For donations over \$10,000 US, AF will retain 2% of the amount above \$10,000 US.

Any interest earned from the funds in the program accrues to the AF.

Note: Donors may also make gifts of securities (stocks, bond or mutual funds) or planned gifts such as life insurance or bequests. Please contact AF (Bonnie Sutherland at (902) 425-5263 for information)

B. Conservation Land Program

A second major program is AF’s Conservation Land Program. It facilitates gifts of qualified conservation lands and partial interests in land (e.g. conservation easements, covenants, remainder interests) in Canada by U.S. taxpayers.

Through the program, the gift is tax-deductible in the U.S., and eligible for exemption from the Canadian capital gains tax.

As with gifts of cash, you make the gift of land or interest in land directly to AF. You may recommend a grant of the land or interest in land to a particular Canadian conservation organization.

AF may enter into a land management agreement with a Canadian conservation charity or government. It may ultimately transfer ownership of land or responsibility for conservation easements to a Canadian conservation organization, if such a transfer is deemed by AF to offer the best guarantee of appropriate stewardship.

Donation Procedures

Detailed templates and checklists for proposed land donations, bargain sales, conservation easements/covenants, and gifts of remainder interest with reserved life estate, are available from AF and will be provided to grantees interested in participating in conservation gifts to AF.

For donations of land and conservation easements, please contact AF for details.

Contributions and Fees

AF operates on a cost-recovery basis and requires a \$3500 U.S. contribution to cover expenses associated with each gift of conservation property or conservation easement. This cost may be paid through a donation by the U.S. donor or paid by the Canadian conservation organization that requests AF's involvement. In addition, the donor or the conservation organization is responsible for the direct costs of all required due diligence inspections (e.g. completing baseline studies and environmental assessments). *Note—for complex transactions involving significant legal review or other expenses beyond those contemplated for a typical transaction, AF must also be reimbursed for these additional costs.*

For further information please contact:

American Friends of Canadian Land Trusts
PO Box 4482
Seattle, WA 98194 USA

Or Bonnie Sutherland
Phone: (902) 425-5263
Fax: (902) 429-5263
Email: bonnie@nsnt.ca
Web: www.nsnt.ca/af