

Rocky Mountain Conservation Easement Law



[HOME](#) [ABOUT](#) [SERVICES](#) [CONTACT](#)

Search...



[Home](#) » [Colorado Department Of Revenue Adopts Revised Conservation Easement Tax Credit Regulations](#)

Colorado Department of Revenue Adopts Revised Conservation Easement Tax Credit Regulations



Source: Chris Toll

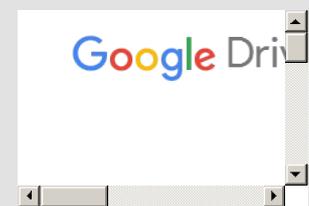
By [Melinda Beck](#) on April 5, 2021

POSTED IN [CONSERVATION EASEMENT](#), [LAND CONSERVATION](#), [STATE LEGISLATION](#), [STATE TAX CREDITS](#)

In a previous post, we noted that the [Colorado Department of Revenue](#) (CDOR) was considering revisions to conservation easement tax credit regulations, and on March 17, 2021, those revisions were adopted. [Rule 39-22-104\(3\)\(g\)](#), [Rule 39-22-304\(2\)\(f\)](#) and [Rule 39-22-522](#) will become effective on April 30, 2021. As a reminder, the amendments are intended to conform the regulations to [House Bill 19-1264](#) signed into law on June 3, 2019, which included a number of substantive revisions to the conservation easement enabling statute (C.R.S. § 38-30.5-101, *et seq.*) and the [conservation easement tax credit program](#) in Colorado.

The amendments focus primarily on the legislation's increase in the maximum amount of tax credit available from one transaction from \$1,500,000 to \$5,000,000. The formula to calculate the credit remains the same at 75% of the first \$100,000 of the fair market value of the conservation easement and 50% of any remaining value, but the tax credits will only be issued by the state in increments of \$1,500,000 per year.

OTTENJOHNSON
ROBINSON NEFF + RAGONETTI, PC



[Click here to learn more.](#)

STAY CONNECTED



[Subscribe to this blog](#)

Enter Your Email Address...

SUBSCRIBE

BLOG AUTHORS +

Topics

Select Category

ARCHIVES

Select Month

RECENT UPDATES

[Colorado Department of Revenue Adopts Revised Conservation Easement Tax Credit Regulations](#)

[Update on Syndicated Conservation Easements – Criminal Prosecutions of Promoters](#)

[Douglas Land Conservancy](#)

The regulations include additional guidance that for purposes of C.R.S. § 39-22-522(6) (which prohibits a taxpayer from claiming more than one tax credit per year), a multiple-year credit (a credit in excess of \$1,500,000 that has to be claimed over multiple years) is considered to be claimed in the earliest tax year designated on a tax credit certificate and carry forwards of a credit and subsequent certificates for the same donation will not be considered new credits. This change permits a landowner to donate easements in two subsequent years, even if the donation made in the first year was a multiple-year credit for which additional tax credit certificates will be issued. An example of this — a landowner donates a conservation easement generating a \$3,000,000 credit in 2021 (for which a \$1,500,000 tax credit certificate is issued in 2021), then donates a second conservation easement generating a \$1,000,000 credit on a different parcel of land in 2022 (for which a \$1,000,000 tax credit certificate is issued in 2022), and still receives a certificate for the remaining \$1,500,000 tax credit in 2022 for the 2021 donation.

The regulations also repealed the provision stating that single member limited liability companies do not qualify for the credit unless the single member is a Colorado resident.

Additional regulations related to the application for tax credits and the issuance of tax credit certificates are available from the [Colorado Division of Conservation](#).



Melinda Beck

Melinda Beck is a real estate and land use attorney who has more than two decades of experience. Melinda's conservation law expertise includes the donation and purchase and sale of conservation easements to land trusts and local governments by private landowners throughout Colorado ...



[Show more](#) ▾

[Protects 2,558 Acres in Douglas County](#)

[Colorado DOR Determines Mutual Ditch Companies Can Claim Conservation Easement Tax Credit](#)

[Beautiful New Keep It Colorado Video](#)

OTTENJOHNSON
ROBINSON NEFF + RAGONETTI[®]

Rocky Mountain Conservation Easement Law

950 Seventeenth Street, Suite 1600
Denver, Colorado 80202
Phone: 303.825.8400



[PRIVACY POLICY](#) | [DISCLAIMER](#)

ABOUT OUR FIRM

Otten Johnson applies unwavering dedication to the business needs of a diverse and sophisticated clientele. We understand that our firm's value to our clients depends entirely on the collective commitment and accomplishments of our attorneys and staff. [Learn More](#)