



Board of County Commissioners

970-328-8605

970-328-8629(f)

eagleadmin@eaglecounty.us

www.eaglecounty.us

Senator Dylan Roberts
200 E. Colfax Street
Denver, CO 80203

February 5, 2024

Dear Senator Roberts,

Eagle County Open Space and Natural Resources supports Keep it Colorado's legislative proposal for enhancing the conservation easement tax credit in Colorado.

This proposal would raise the tax credit cap to \$75 million in order to meet the current demand for conservation easement tax credits. The cap on available tax credit funds is currently set at \$45 million, which was established in 2014 and has not been updated since. This cap is not keeping up with the demand, inflation, or property values. Raising the cap is necessary to meet the current demand for conservation easement tax credit funds, address the backlog in current projects, and ensure that we do not miss opportunities for conservation efforts across the state. Since legislation that allows landowners who donate a conservation easement to receive up to 90% of the value of that easement in tax credits was passed in 2021, demand for conservation easements and tax credits have increased, leading to a significant backlog, and the waiting list to obtain a conservation easement tax credit currently lasts until 2026. This waiting list is likely reducing the number of conservation easement projects completed across the state.

The proposal would also expand the eligibility criteria for tax credit transfers. Tax credits are transferable, but the constraints of the current system limit the pool of eligible buyers. Providing more flexibility in the eligibility criteria will increase the pool of potential buyers, creating greater incentives for investments in conservation while ensuring that those who participate in conservation practices are able to fully utilize their credits.

The conservation easement tax credit program is an essential tool in incentivizing conservation on private property. Conservation easements play an important role in conserving wildlife habitat, protecting water quality, enabling the future viability of historic ranching, and retaining Colorado's scenic landscapes and open spaces that draw residents and visitors to the state.



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We urge you to consider the ecological, economic, and cultural impacts of this legislation and support Keep it Colorado's legislative proposal.

Thank you for your consideration.

Sincerely,

Matt Scherr

Chair

Jeanne McQueeney

Commissioner

Kathy Chandler-Henry

Commissioner



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