

## Receipting: Ecologically Sensitive Land

### *Introduction (Slide 1)*

This module covers basic information your registered charity should know about Ecologically Sensitive Land.

The module answers the questions:

- ❖ What is Ecologically Sensitive Land?
- ❖ What is the Ecological Gifts Program (EGP)?
- ❖ Are there rules or regulations?
- ❖ How do you determine FMV?
- ❖ Where can I get more information on this topic?

### *Ecologically Sensitive Land - The Basics (Slide 2)*

Gifts of Ecologically Sensitive Land are regulated by the Ecological Gifts Program (EGP). For a gift to be considered under the EGP, Environment Canada has to:

- ❖ certify the land is ecologically sensitive
- ❖ approve the recipient as an environmental charity
- ❖ certify the fair market value of the gift

Plus, the gift must be a voluntary transfer of property without consideration.

**For example**, a farmer donates a part of their land to your Charity because, as a condition of developing a portion of the property, they must donate part of it for parkland. This donation would **not** qualify as a gift, as it was not voluntary.

## *Conditions (Slide 3)*

If the conditions of gifting and the Ecological Gift Program are met, individuals may receive a charitable donations tax credit, and corporations may receive the charitable donation deduction.

In addition, donations made on or after May 2, 2006, and certified under the Ecological Gifts Program, will no longer be subject to tax on any capital gains accruing in respect of the property.

## *Fair Market Value (Slides 4&5)*

The Fair Market Value of Ecologically Sensitive Land will ultimately be determined by The Minister, through the offices of an appraiser.

A gift of Ecologically Sensitive Land is discussed in Receipting FAQs D23 and D24.

For more information, visit the Ecological Gifts Program web page at:

[www.cws-scf.ec.gc.ca/egp-pde/default.asp?lang=En&n=522AB5A3-1](http://www.cws-scf.ec.gc.ca/egp-pde/default.asp?lang=En&n=522AB5A3-1)

or contact the program's National Secretariat at 1-800-668-6767.

In addition, a very detailed and helpful handbook is available @

[www.cws-scf.ec.gc.ca/egp-pde/6E9B56B5-A4C6-408F-863F-351E5A4EE83E/hand\\_e.pdf](http://www.cws-scf.ec.gc.ca/egp-pde/6E9B56B5-A4C6-408F-863F-351E5A4EE83E/hand_e.pdf)

**Note:** The gifting of Ecologically Sensitive Land is a complex topic. Your Charity may wish to seek professional advice in dealing with this kind of donation.

## *Self Test (Slides 6&7)*

## *Notice (Slide 8)*

Information in this module is provided for general educational purposes and not as legal or accounting advice. Consult a lawyer or accountant for professional advice.

Information is accurate as of January, 2009.

For changes after this date, consult Canada Revenue Agency.