



## S.B. 24-126, Conservation Easement Income Tax Credit

Senators Will & Winter F.  
Representatives Lukens & Lynch

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Amplifying Conservation in Colorado:  
*Enhancing the Conservation Easement Tax Credit*

### Background

Since 1965, Colorado land trusts and their partners have helped Colorado families conserve over 3.3 million acres of working farms, ranches, and private lands across the state. For the past 23 years, Colorado has proactively invested in conservation through the Conservation Easement Tax Credit Program. Created in 2000, the program incentivizes private landowners to voluntarily protect their properties. The demand for conservation only continues to increase as landowners, counties and municipalities recognize the benefits of conservation for Colorado's lands, waters, wildlife and people. Notably, however, there has been a cap on the tax credit program of \$45 million since 2014. And since 2021, the cap has been met as the program has been oversubscribed, resulting in delays in achieving our state's conservation goals. Worse, in some cases, landowners have been forced to develop or sell lands that could have been conserved.

### Proposal

S.B.24-126 will strengthen and create greater sustainability for private land conservation for the future. Specifically, the bill will:

- **Eliminate the expiration dates of the Conservation Easement Oversight Commission and the Certified Holder program.** Without legislative action, elements of the Conservation Easement Tax Credit Program are scheduled to expire in 2026. These bodies are needed to maintain the quality, integrity, efficiency and effectiveness of the program.
- **Raise the tax credit cap to \$75 million to meet the current demand.** The \$45 million cap on available tax credit funds was established in 2014 and has not changed. It is not keeping up with demand, inflation or property values. Raising the cap is necessary to meet the current demand, address the backlog in current projects, and ensure that we do not miss opportunities for conservation efforts across the state.
- **Expand the eligibility criteria for tax credit transfers.** Tax credits are transferable, but 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.

### Why it matters

The benefits of conservation are unique and wide-ranging. Conservation has contributed

significantly to the protection of wildlife habitat, critical wetlands, urban open space, and working farms and ranches. It has also aided the state in its carbon reduction and biodiversity goals, while supporting rural economic resiliency – which benefits all Coloradans. The state can and should do more. Additional conservation supports a healthier climate, stronger local economies, increased wildlife protection and enhanced outdoor recreation. The tax credit program, an incentive for willing landowners, pays for itself and more. A 2023 CSU Department of Agriculture and Resource Economics report indicated that for every \$1 Colorado invests in conservation, the public receives between \$31 and \$49 in economic return. The total cumulative impact of conservation easement tax credits to Colorado taxpayers is estimated to be between \$35 billion and \$57 billion, or about \$20,000 per acre conserved. Unfortunately, we are losing critical acreage at an alarming rate; the time to invest in Colorado’s future is now. By enhancing the Conservation Easement Tax Credit Program, we will be able to rapidly increase the number of acres conserved and provide wide-reaching benefits for all Coloradans.

### **Supporting Organizations & Businesses:**

Rocky Mountain Elk Foundation  
Colorado Cattlemen’s Agricultural Land Trust  
The Nature Conservancy  
Colorado Counties Incorporated  
Larimer County Commissioners  
Independent Community Banks of Colorado  
Western Resource Advocates  
Rocky Mountain Farmers Union  
Colorado Cattlemen’s Association  
Ducks Unlimited  
Palmer Land Conservancy  
Eagle County Board of County Commissioners  
Counties & Commissioners Acting Together  
National Wild Turkey Federation  
Western Landowners Alliance  
Colorado Farm Bureau  
Safari Club International  
Colorado Bankers Association  
National Wildlife Foundation  
Club 20  
Eagle Valley Land Trust  
Associated Governments of Northwest Colorado  
Theodore Roosevelt Conservation Partnership  
Colorado Open Lands  
Colorado Chapter of Realtors Land Institute  
Colorado Wildlife Federation  
Mountain Area Land Trust  
Colorado Wildlife Conservation Project

Aspen Valley Land Trust  
Keep Routt Wild  
Backcountry Hunters and Anglers  
Trust for Public Land  
Colorado Outfitters Association  
Colorado National Heritage Program  
National Wild Turkey Federation  
Estes Valley Land Trust  
Mirr Ranch Group  
Colorado Headwaters Land Trust  
Yampa Valley Sustainability Council  
La Plata Open Space Conservancy  
Tax Credit Connection  
Colorado West Land Trust  
Central Colorado Conservancy  
Conservation Tax Credit Transfer  
Conservation Resource Center  
Western Rivers Conservancy  
San Miguel Conservation Foundation  
Southern Plains Land Trust  
Colorado State Muzzle Loading Association  
Rio Grande Headwaters Trust  
Crested Butte Land Trust  
Colorado Chapter Realtors Land Institute  
Healthy Air and Water Colorado  
Muley Fanatic Foundation  
Montezuma Land Conservancy

**Questions? Contact Jeannie Vanderburg, 303-249-8150,  
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