

Income Tax – Gross Conservation Easement (DR 1303)

Who must file a Form DR 1303 and what information is required for its completion?

The donor of the conservation easement (including a pass-through entity and each shareholder, partner or member thereof) must attach Form DR 1303 to their Colorado income tax return. The donor must also attach Form DR 1305 and separately submit Form DR 1304 for the tax year during which the donation occurred. Taxpayers filing an electronic return must separately mail Form DR 1303 and the required attachments.]

The donor must attach copies of the summary of qualified appraisal, the recorded conservation easement deed, federal form 8283, and Colorado Form DR 1299 (provided by the organization receiving the conservation easement donation) to the Form DR 1303. Enter the donor's name, social security number or Colorado account number, date of donation and location of Conservation Easement (county, township, and range where the property is located).

Part 1: Form 8283 Summary (to be completed by the taxpayer)

Line 1. Check the appropriate box to indicate whether or not the donated property is a qualified conservation contribution pursuant to IRS Regulations Section 1.170A-14.

Line 2. Enter the value of the conservation easement as determined by the qualified appraiser.

Line 3. Enter the date you purchased or acquired the property.

Line 4. Enter the manner by which the property was acquired (e.g. purchase, gift or inheritance).

Line 5. Enter your adjusted cost basis at the date of donation. If the property was acquired by gift or inheritance, your adjusted cost basis will be determined in part by reference to the donor's cost basis (for gifts) or the fair market value at date of death (for property received by inheritance).

Line 6. If you participated in a bargain sale (part sale, part gift) of the easement, indicate the proceeds you received from the sale. If you did not participate in a bargain sale, leave this space blank.

Line 7. Enter the total federal charitable deduction amount claimed for the easement donation. Include both the 2007 deduction allowed and any amount carried forward to future years.

Part 2: Appraiser Affidavit (must be completed and signed by the appraiser)

Line 8. Enter the value of the property unencumbered by a conservation easement.

Line 9. Enter the total value of the conservation easement.

Line 10. Enter information regarding separate allocation of sand and gravel, minerals, water, or improvements.

Line 11. Indicate whether or not a subdivision analysis was the primary methodology

used in the appraisal.

Line 12. Enter information regarding appraiser requirements.

Part 3: Easement Holder Affidavit (must be completed and signed by organization holding the easement)

Line 13. Indicate whether or not the donation is part of a series of transactions by the donor. If this is the first donation of a planned series, check "yes" even though it is possible that the donor will not make future donations.

Line 14. Indicate that the DR 1305 information has been verified as required.