PBMares℠ CPAs and Consultants

Virginia Land Preservation Tax Credit

Reduce your Virginia tax liability by purchasing land preservation tax credits at a discount.

Virginia taxpayers have a unique opportunity to reduce their state tax liability by purchasing **Virginia Land Preservation Tax Credits** at a discount.

By acquiring credits generated through conservation easement donations, you can apply them directly against your Virginia income tax, creating immediate value and potential savings

Program Overview

The Virginia Land Preservation Tax Credit program is designed to encourage the conservation of land across the Commonwealth by providing tax incentives to property owners who donate qualifying land or easements.

- Offers a **state tax credit equal to 40%** of the value reduction from the donation
- Allows credits to be **transferred (sold)** and used to offset Virginia income tax **dollar-for-dollar**
- Credits are **nonrefundable**, with a **10-year carryforward.**
- **Annual usage capped** at $20,000 ($40,000 joint filers)

PBMares helps connect buyers and sellers so that taxpayers can benefit from the conservation-driven incentives **without directly donating land.**

Who Benefits

Virginia Land Preservation Tax Credits are available to:

- Individuals
- Corporations and business entities
- Estates and trusts

Why Consider Land Preservation Tax Credits

- Reduce tax liability
- Save ~10% on your Virginia Income Tax
- Potentially increase state tax refunds

How It Works

Think of it like purchasing a gift certificate at a discount. Buy credits for about 90% of their value and redeem them dollar-for-dollar against your Virginia taxes. Unused balances carry forward for up to 10 years to maximize the savings. You can apply it when it best fits your tax obligations.

Typical Scenario

A taxpayer purchases Virginia Land Preservation Tax Credits from a donor at a discount and applies them to their state tax liability.
Example:

- $9,000 purchase → $10,000 in tax credits
- Credits offset your Virginia income tax dollar-for-dollar.
- The built-in discount creates an immediate tax savings (approximately 10%).
- Additional benefits may include a larger state refund, depending on your overall tax situation.

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What to Consider

- Credits are nonrefundable, but highly valuable for offsetting liability.
- Unused credits can be carried forward up to 10 years.
- Best suited for taxpayers with predictable or significant tax exposure

How We Support You

PBMares provides guidance when considering land preservation tax credits:

- **Identify Opportunities** – Connect you with available credit transactions
- **Evaluate the Benefit** – Help determine if credits align with your tax strategy
- **Structuring Support** – Assist with investment and allocation considerations
- **Donation & Easement Guidance** – Walk you through the process if you are considering donating land or placing an easement on your property to generate credits
- **Ongoing Advisory** – Support compliance and maximize long-term benefit

Are you considering a donation or easement on your own land?

PBMares can help walk you through the full process of claiming the land preservation credits.

Contact Us

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PBMares does not need to prepare your tax return to assist with credit opportunities.
Contact us today to discuss your situation.

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