



The Honorable Paul D. Ryan
Speaker
U.S. House of Representatives
1233 Longworth House Office Building
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
233 Cannon House Office Building
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
U.S. Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Congressional Leaders:

The undersigned organizations urge swift enactment of the Charitable Conservation Easement Program Integrity Act (H.R. 4459/S. 2436) to help close an apparent loophole relating to abusive syndicated tax shelters.

As you know, the Treasury Department and Internal Revenue Service (IRS) designated syndicated conservation easement transactions as abusive tax shelters in Notice 2017-10, published in December 2016. This means that these tax shelters are officially recognized as among the most egregious abuses of U.S. tax law. According to the Notice, the promoters of these transactions are syndicating these schemes, promising investors the opportunity to obtain charitable contribution deductions in amounts that significantly exceed their investment.

Unfortunately, IRS Notice 2017-10 has not stopped these transactions. In July, the IRS reported that promoters completed 248 abusive tax shelter deals in 2016 alone, for which investors claimed \$6 billion in overinflated charitable deductions. A total of approximately \$20 billion in tax deductions have been claimed since 2010. We are alarmed that proponents of these transactions are reaching out regularly to land trusts across the country with offers to participate in these abusive deals, and the frequency is increasing as we approach the end of the tax year.

The bipartisan legislation introduced by Representatives Mike Thompson and Mike Kelly and Senators Steve Daines and Debbie Stabenow is narrowly targeted to ensure that tax incentives for land conservation remain available for genuine philanthropists whose priority is conserving the land we need and love.

We ask that this important legislation be enacted into law before the conclusion of the 115th Congress to close this apparent loophole and maintain the integrity of conservation easement donations.

Sincerely,

Appalachian Trail Conservancy

Appraisal Institute

Ducks Unlimited

Land Trust Alliance

Partnership of Rangeland Trusts

Pheasants Forever Quail Forever

The Conservation Fund

The Nature Conservancy

The Trust for Public Land

For further information, feel free to contact:

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