

Expedited Requests for Boundary Line and Extinguishment Clause Amendments to Incorporate IRS Provisions into Existing Easements

The Department of Natural Resources (DNR) is announcing a streamlined opportunity for landowners and entities who hold conservation easements to request amendments to existing easement terms related to boundary line adjustments and extinguishment clause amendments, when consistent with recent Internal Revenue Service (IRS) guidance.

This opportunity is applicable to DNR conservation easements and easements enrolled in the following Stewardship subprograms:

- Natural areas
- Habitat areas
- Stream Bank Protection
- State Trails
- Acquisition of Development Rights

Under requirements of the Consolidated Appropriations Act of 2023, Pub. L. 117-328 (Dec. 2022), the IRS recently published Notice 2023-30, which provides safe harbor language for extinguishment and termination provisions as well as for boundary line adjustments for existing conservation easements. The safe harbor language may prevent certain landowners from accruing tax liabilities when specific real estate or management activities occur, and the landowner has accrued Federal tax benefits as part of the easement enrollment transaction. The notice set a deadline of **July 24, 2023**, for landowners and entities to execute and record any amendments to existing easement documents.

In an effort to streamline the approval process, a checklist has been developed outlining all required documents to be submitted for review. The DNR will allow entities to self-certify a number of items for this action that would generally require additional documentation to be provided by the landowner and entity for DNR approval.