

A Landowner's Guide:

Options for Protecting Natural Places in Prince Edward Island

2025 Version



Island Nature Trust, established in 1979, is dedicated to conserving natural areas and wildlife in PEI. We acquire land through donations and purchases, safeguarding it under legislation that prevents development. Once acquired, we manage land to support healthy, vibrant ecosystems.

We also assist landowners who wish to protect their properties while retaining the land. Several options are available for those who want to conserve land and wildlife for future generations



This booklet was developed to provide a brief introduction to the options that are available for landowners.

The staff at Island Nature Trust would be happy to discuss these options with you in greater detail if you wish to find out more.

www.islandnaturetrust.ca

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Why Protect Land?

Protecting land as a Natural Area or Wildlife Management Area conserves wildlife habitat and promotes essential ecosystem services like carbon storage, biodiversity, water filtration, and connectivity. These benefits are crucial for the planet and all Islanders. Unlike other provinces, PEI is mostly privately owned (86%) and significantly altered by development, agriculture, and forestry. Regeneration of natural spaces takes years, and original species may be replaced by those less resilient to climate change.



What does Island Nature Trust Look for When Accepting Land?



LOCATION & CONNECTIVITY

Properties situated in large forest blocks, coastal regions, and riparian zones.

Properties that are connected to privately or provincially protected land.



BIODIVERSITY & ECOSYSTEM HEALTH

Properties that contain a diverse array of mature, intact ecosystems and native wildlife.



SPECIES-AT-RISK HABITAT

Properties that contain important habitat for provincially rare and federally at-risk wildlife.



PARCEL SIZE

Properties over 35 acres or groups of connecting parcels to decrease fragmentation.



CULTURAL SIGNIFICANCE

Properties with a history of or continued land use by people.

How can you help?



DONATION

Donate land to INT or another qualified environmental organization. Don't have land to donate? Consider making a cash donation to support land acquisition.



SALE OF LAND

Sell your ecologically significant land to INT or another qualified environmental organization.



LAND STEWARDSHIP & PRIVATE PROTECTION

Formally protect your own property or use Best Management Practices to steward the land.



VOLUNTEER!

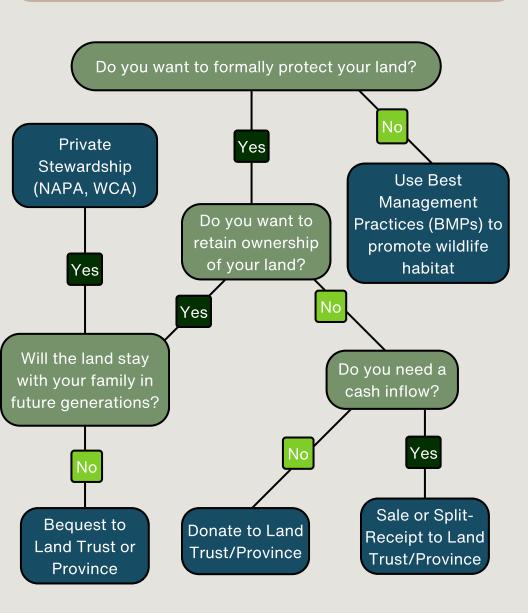
Volunteer your time with INT (Become a Conservation or Coastal Guardian - see page 18 for more details) or other local environmental organizations.



SPREAD THE WORD!

Share knowledge about the importance of land protection.

A Decision Tree for Landowners



The Ultimate Gift: Donating Land for Protection

Island Nature Trust has an internal process for accepting land donations that ensure we follow best standards and practices. When you contact us to offer land, we first visit the land to assess its natural state. Next, the property is presented to our Land Acquisition Committee, who ultimately vote on whether to accept the donation.

To support your generous contribution, we cover most of the associated costs. You will sign a gift agreement outlining responsibilities. We pay for the appraisal, deed transfer, and title search fees. If a survey, subdivision, or legal right-of-way is needed, we ask that you pay for or support these costs. The Donor is responsible for their own legal and accounting fees, and applicable capital gains tax. The appraised value is used for the charitable tax receipt, issued upon transfer of title.

Some steps in the donation process, like appraising vacant land, can take several weeks. We may not be able to respond immediately, but taking the time to carefully complete each step ensures nothing is overlooked. Your patience helps us manage the process thoroughly.

Donor Highlight

Since 1979, Island Nature Trust has relied on the generosity of land donors to help protect Prince Edward Island's natural beauty. If you own ecologically significant land—such as forests, bogs, marshes, or coastal areas— and wish to see it protected forever, consider donating to Island Nature Trust.

Lands acquired through donations are safeguarded under the Natural Areas Protection Act and carefully managed by our dedicated Stewardship Team. Your donation ensures that these natural spaces will be preserved for the enjoyment of the Island's future generations and wildlife that call them home.



Leaving a Gift of Land in Your Will

If you love your land and are concerned about its future, leaving it to a land trust can ensure it is cared for in a way that reflects your values.

If you are considering a land bequest to Island Nature Trust, please let us know in advance. This helps us assess the land and plan its management, while respecting your vision. We can work together to create a statement of intent outlining how you'd like the land protected.

Consult your lawyer and accountant about the financial aspects, including potential capital gains tax. We offer a will template to assist your lawyer, and if your land is ecologically sensitive, it may qualify for an Ecological Gift with a tax exemption.

You can also protect the land under legislation before bequeathing it, which may offer property tax relief during your lifetime.

Purchase of Ecologically Significant Land

Island Nature Trust is able to purchase land at the appraised fair-market value, depending on availability of funding. Selling land is a good option for landowners who need an in-flow of cash and no longer wish to retain ownership. For Island Nature Trust to consider the land, it must contain ecologically significant qualities.



White Birch Forest

Split-Receipt (Partial Donation)

A split-receipt involves selling land where part of its value is donated and the remainder is purchased. The Canada Revenue Agency requires a donation of at least 20% of the fair market value in order for a tax receipt to be issued. This arrangement can also qualify as an Ecological Gift, exempting the donated portion from capital gains tax. Your accountant can explain the potential benefits.

Ecological Gift Program

The Ecological Gift Program (EGP), administered by Environment and Climate Change Canada, helps Canadian landowners protect their land for future generations. The program provides tax benefits, including exemptions from capital gains taxes, for those who donate all or a partial interest in their land to qualified recipients, such as land trusts or provincial agencies.

Donating land for protection is a significant and generous decision, but facing capital gains tax on a transaction that doesn't provide you with financial benefit may feel unfair.

For land you've owned long-term, the capital gains tax can be substantial. However, if the land qualifies as an Ecological Gift, it is exempt from capital gains tax. Island Nature Trust can assist with the necessary paperwork, including documenting the land's ecological sensitivity and arranging an appraisal from a certified Ecological Gift appraiser.

Judson Salt Marsh Natural Area



Ecological Gift Program
Overview



Donations of Land by Americans

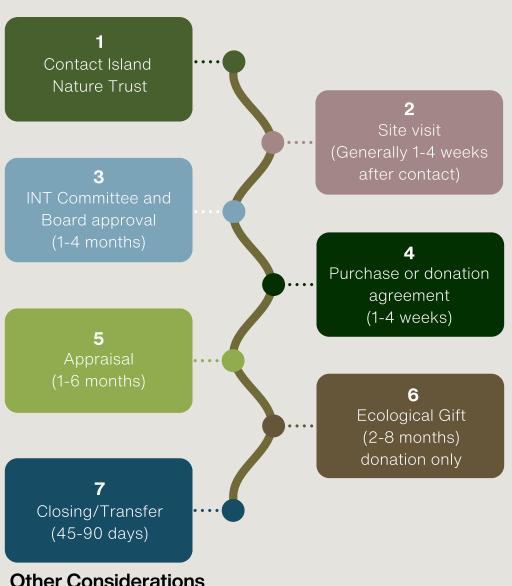
Many American families have ties to PEI through family or summer residences and feel the same strong ties to the landscape as year-round residents. Donating land for protection is a commendable act, but capital-gains tax relief can be challenging.

Unlike in the United States, land donations in Canada are subject to capital gains tax unless donated through the Ecological Gift Program. In addition, a charitable tax receipt from a registered Canadian charity can only be applied against Canadian income. These factors make land donations by Americans more cost prohibitive with few tax benefits.

In some instances where the valuation for the land is high enough, it may be possible to work through a third-party, such as the American Friends of Canadian Conservation to provide some tax relief to American donors. Island Nature Trust can provide further guidance should these circumstances apply.



The Land Acquisition Process



Other Considerations

Subdivision of land (2+ months) \$110

Boundary survey (2+ months) \$2,500+

Quieting of titles \$2,000+

^{*}Prices and timelines are approximate and based on 2025 estimates, therefore they are subject to change

Options for Privately Stewarding Land

Private Stewardship

Private protection is ideal for those who want to retain ownership and steward their land for future generations. Landowners can use NAPA, WCA, or best management practices (BMPs) to enhance ecosystem health, personally managing conservation efforts.

Choosing Formal Protection

If you decide that protecting all or a portion of your land with a legal mechanism is the right avenue for you INT's team will assist you throughout the process and draft the appropriate documents, ensuring that your wishes are clearly defined. The documents associated with formal protection are written using legal terminology that can be intimidating. You will have ample time to review and feel comfortable with the documents before signing.



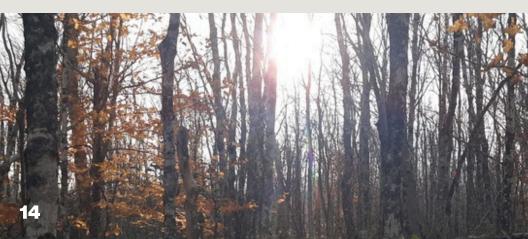
Best Management Practices for Landowners

In some cases, landowners may not wish to or may not be ready to apply legal protection to their properties. In other cases, the property may not be suitable for protection under one of the legal mechanisms. Retaining ownership of land and using Best Management Practices (BMPs) can help protect it from development while conserving or enhancing its ecological integrity.

This can include:

- Having a qualified forest
 technician develop an
 ecological forest management
 plan
- Reducing timber harvest near and in:
 - Species at risk habitat
 - Old-growth forests
 - Riparian zones
 - Ephemeral flow areas
 - Wetlands

- Managing for invasive species
- Planting native species
- Reducing sediment and brush impact on waterways
- Building on previously disturbed sites



The Process of Designating Land with a Restrictive Covenant Under the Natural Areas Protection Act (Private Stewardship)



Legal Land Protection on PEI

Legal Tools

In PEI, land can be protected under the Natural Areas Protection Act (NAPA) or the Wildlife Conservation Act (WCA). These designations come with covenants attached to the deed, outlining permitted and prohibited activities to conserve the land in its natural state or protect specific wildlife habitats. One of the primary actions that make this possible is the removal of development rights.

The Natural Areas Protection Act

The PEI Natural Areas Protection Act (NAPA) is a permanent legal tool to conserve "natural areas" in PEI. Land designated under NAPA must contain natural features or habitats for rare, endangered, or uncommon species. This option is ideal for those with ecologically significant, untouched landscapes who want them protected in perpetuity.

Wildlife Conservation Act

The Wildlife Conservation Act (WCA) is more flexible, allowing for varied management opportunities, and is ideal for land managed for specific species or wildlife groups. Land can be designated under the WCA for a set term (e.g., 20 years) or in perpetuity.

Stewardship: What Happens After

Stewarding land responsibly, in the context of protection forever, is a significant undertaking. It lies at the heart of Island Nature Trust's mandate for land conservation. With over 12,500 acres of natural areas across PEI, we cannot manage these lands without the significant support of Islanders.

In the short-term, managing lands is a collaborative effort between our dedicated volunteers and staff. Over the long-term, Island Nature Trust maintains investments in a Stewardship Fund to support the ongoing maintenance costs associated with land conservation.

Natural areas maintained by Island Nature Trust have varying needs, including forest diversification through planting of native trees and shrubs, control of invasive species, cleanup of garbage and debris, trail maintenance, and monitoring and enhancement for wildlife use.



Conservation Guardian Program

Island Nature Trust commits to visiting each of our properties annually to ensure that the natural features for which the property was protected remain intact and to mitigate any risks to these features. This can be challenging as an NGO with a small full-time stewardship team, which is where our dedicated Conservation Guardians (CGs) come in. CGs are volunteers assigned a property in their preferred area to monitor and submit a small report for, which helps us achieve our commitment. Conservation Guardians are invited to INT's special skill development and educational events.

Monitoring Made Easy

Conservation Guardians are:

- Trained one-on-one with INT staff
- Equipped with some essential field gear











 Provided access to monitoring software that allows them to track their visits with ease



Other Ways to Support Island Nature **Trust**

Invest in Nature

or shares is a powerful way to help protect Prince Edward Island's natural heritage. Your contribution helps grow and network of protected areas, safeguarding unique, now and for future generations.







https://islandnaturetrust.ca/ invest-in-nature/

Become A Member!

Membership is integral to how Island Nature Trust works. We were founded by a small group of Islanders who saw the pressing need for an independent,

private, action-oriented land trust. Our members continue to keep us grounded in the communities of Prince Edward Island, understanding rural histories, landscapes, and local







Attend an Event

Keep an eye on INT's Social Media profiles and the event page on our website for details about upcoming events. OR sign up for our quarterly newsletter to receive news about upcoming events, fundraising campaigns, and conservation projects!









islandnaturetrust.ca/events/







secure.islandnaturetrust.ca/signup

Case Study Examples*

Example 1: Fee Simple Donation

John Doe works for a production company in PEI, Canada and has taxable income of \$90,000 each year. Fifteen years ago, John purchased a 50-acre parcel of land containing a healthy forest and small stream for \$30,000. Today, the fair market value of the land is \$100,000.

Originally John intended to build a house on the land, but after substantial renovations to his existing home, he has decided he would like to stay where he is. John has no children and has decided he would like to sell, or potentially donate, the land. He knows that if he donates the land to a land trust that is a registered charity, he will receive a charitable tax receipt. He has approached his accountant to better assess his options.

Details	Option 1: Sale (\$100,000)	Option 2: Full Donation	Notes:
A: Appraised Value	\$100,000 (no charitable receipt, proceeds of \$100,000)	\$100,000 (charitable receipt of \$100,000, no proceeds)	Per appraisal
B: Legal Fees with closing	\$1,500	\$1,500	Estimate
C: Adjusted cost	\$30,000	\$30,000	Original purchase (does not consider property tax or other additions to adjusted cost base)
D: Capital gain	\$68,500	\$68,500	A - B - C
E: Taxable capital gain	\$34,250	\$34,250	D×50%
F: Taxes payable on land transaction	(\$14,538)	(\$14,538)	Additional taxes from land disposal (2020), estimate
G: Tax savings from donation receipt (in year of disposal)	N/A	\$37,250	Estimate, there is a carry-forward donation amount of \$7,010 that can be used in subsequent years (valued at approx. \$3,160)
H: Taxes (payable) or refundable	(\$14,538)	\$22,712	Estimate based on simplified scenario
Net (proceeds of sale - taxes on land transaction)	\$83,962	\$21,212 + approx. \$3,160 future tax savings of charitable tax receipt carry forward = \$24,372	A-B+H The net difference is \$ 59,590 between the sale and the donation when the value of the donation carryforward is considered. At first it may seem like John loses out on \$100,000 by donating the land instead of selling it; however, the real difference is approximately \$59,590 (with the donation saving over \$ 40,000 in taxes payable).

Considering Land Conservation? Fill Out this Checklist!

Location:			
Property ID #: Size (acres):			
Are you interested in:			
Privately Protecting Best Management Practices			
Donation/Bequest Split-Receipt Sale			
Which options best describe your property (select all that apply):			
River(s) Wetland(s)			
Active farming Buildings			
Roads Trails			
Survey/subdivision required Recent tree harvest			
Other (please describe):			
Briefly describe the current and historical land use for the property:			
Landowner Name:			
Contact:			



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