



# HOUSE BILL 1008: Real Property Donation Tax Credit.

2019-2020 General Assembly

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<b>Committee:</b>	House Rules, Calendar, and Operations of the House	<b>Date:</b>	October 1, 2019
<b>Introduced by:</b>	Reps. Setzer, Szoka, Ross, Carney	<b>Prepared by:</b>	Greg Roney Staff Attorney
<b>Analysis of:</b>	Second Edition		

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**OVERVIEW:** *House Bill 1008 would create an individual and corporate tax credit equal to 25% of the value of land donated to the State, a local government, or a charity qualified to receive charitable contributions for conservation purposes if the donation is useful to buffer military installations and training areas.*

**CURRENT LAW:** Corporations and individuals are allowed a charitable contributions deduction for land donated to the State, a local government, or a charity qualified to receive charitable contributions for conservation purposes. The charitable contribution deduction would be generally limited to 10% of a corporation's income and 50% of an individual's income.

**BILL ANALYSIS:** House Bill 1008 would allow a tax credit against corporate income tax for land located in the State that is donated to the State, a local government, or a charity qualified to receive charitable contributions for conservation purposes to buffer military installations and training areas. The tax credit equals 25% of the value of the land. A maximum of \$500,000 in tax credits can be earned per year. Any unused tax credit may be carried forward for 5 tax years.

House Bill 1008 would also allow a tax credit against individual income tax for land located in the State that is donated to the State, a local government, or a charity qualified to receive charitable contributions for conservation purposes to buffer military installations and training areas. The tax credit equals 25% of the value of the land. A maximum of \$250,000 (\$500,000 for a joint return) in tax credits can be earned per year. Any unused tax credit may be carried forward for 5 tax years.

For both individual and corporate taxpayers, House Bill 1008 imposes substantiation requirements, prohibits private benefits such as satisfying zoning ordinances with the donated property, and requires the Department of Natural and Cultural Resources to certify that the property donated is suitable for a buffer that has public benefit. Taxpayers may not take a charitable contribution deduction for the same property.

**EFFECTIVE DATE:** House Bill 1008 would be effective for taxable years beginning on or after January 1, 2020, and sunset for taxable years beginning on or after January 1, 2024.

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Director



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Legislative Analysis  
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