



June 8, 2022

The Honorable Nancy Pelosi
 Speaker
 U.S. House of Representatives
 1236 Longworth House Office Building
 Washington, DC 20515

The Honorable Kevin McCarthy
 Republican Leader
 U.S. House of Representatives
 2468 Rayburn House Office Building
 Washington, DC 20515

The Honorable Charles E. Schumer
 Majority Leader
 United States Senate
 322 Hart Senate Office Building
 Washington, DC 20510

The Honorable Mitch McConnell
 Republican Leader
 United States Senate
 317 Russell Senate Office Building
 Washington, DC 20510

Dear Leaders:

As national representatives for the land conservation, appraisal and historic preservation communities, we write to respectfully request that Congress enact, without further delay, the bipartisan, bicameral *Charitable Conservation Easement Program Integrity Act* (H.R. 4164 and S. 2256).

Since we last corresponded in September, abusive syndicated conservation easement transactions have continued to cost taxpayers billions of dollars while threatening the vital conservation program put in place by Congress to preserve our open lands, wildlife habitat, productive farms and ranches.

Just this past February, a federal grand jury returned an indictment charging seven individuals with conspiracy to defraud the United States and other crimes surrounding their promotion of fraudulent tax shelters in the form of abusive syndicated conservation easements. This development comes less than a year after a grand jury indicted a tax professional from Atlanta on the same charge, and approximately two years after two tax professionals pleaded guilty to criminal charges for promoting these abusive transactions.

While our organizations applaud these and all efforts to halt abuse, they have failed to deter the bad actors from engaging in what the IRS has deemed egregious tax fraud. Therefore, we believe there is a clear and urgent need for Congress to now step in and pass the *Charitable Conservation Easement*

Program Integrity Act. With Congressional action, we can shut down these types of abusive transactions for good.

Indeed, the Senate Finance Committee Report on its investigation recognized that the Internal Revenue Service, Department of Treasury and Congress must act to stop the abuse. The IRS is also calling for Congressional action. At a May 3 hearing of the Senate Committee on Appropriations, IRS Commissioner Charles Rettig maintained the Service’s longstanding position that it does not have the ability to halt these transactions alone. Rettig emphasized, “We have not had an impact on essentially slowing the volume of these transactions that we receive currently. We need Congressional help. We need a statute to help us curb this activity.”

Furthermore, members of Congress from both parties agree that Congress must pass the *Charitable Conservation Easement Program Integrity Act* in order to halt this egregious and ongoing abuse. At a March 17 Senate Finance Committee hearing on charitable giving, Senator Steve Daines of Montana noted the importance of passing the Integrity Act in the 117th Congress, saying “I believe Congress needs to pass our bill this year. The abuse needs to end.” During the same hearing, Committee Chair Ron Wyden of Oregon underscored the importance of Congressional action to halt the abuse and stated the Committee is “on this battle until we get it done” and that they will “stay at it until we fix it.”

And as shared with you previously, the abuse taking place has reached staggering levels. Between 2010 and 2018, investors claimed nearly \$36 billion in unwarranted deductions. This includes \$6 billion in 2016, \$6.8 billion in 2017 and \$9.2 billion in 2018. ***This means \$22 billion in unwarranted tax deductions were claimed in the three years after the IRS put these bad actors on notice.*** While our respective organizations are eager to obtain from the IRS data for tax years 2019, 2020 and 2021, we expect any new data will simply confirm a continuing problem.

As such, we ask that as leaders of your respective chambers and parties that you to stand with us – and all in our community – by taking immediate action to curb abuse and restore the integrity of this cherished and worthy conservation program.

We urge you to pass the *Charitable Conservation Easement Program Integrity Act* this year and halt this egregious and ongoing abuse. Doing so will save taxpayers billions of dollars and ensure a valuable tool remains in place so organizations such as ours can continue to work with landowners to conserve our country’s irreplaceable farmlands, forests, ranches, wetlands and historic sites.

Sincerely,

*American Society of Farm Managers
and Rural Appraisers*

Land Trust Alliance

The Nature Conservancy

American Society of Appraisers

*National Trust for
Historic Preservation*

*Theodore Roosevelt
Conservation Partnership*

Appalachian Trail Conservancy

Partnership of Rangeland Trusts

The Trust for Public Land

Appraisal Institute

Pheasants Forever Quail Forever

Ducks Unlimited

The Conservation Fund

CC:

The Honorable Richard Neal
The Honorable Kevin Brady
The Honorable Ron Wyden
The Honorable Mike Crapo
The Honorable Mike Thompson
The Honorable Mike Kelly
The Honorable Steve Daines
The Honorable Debbie Stabenow
The Honorable Chuck Grassley
The Honorable Janet Yellen
The Honorable Charles Rettig
The Honorable Merrick Garland

For further information, feel free to contact:

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