

# **Application for Appraisal Review and Determination** of the Fair Market Value of an Ecological Gift

#### Instructions

Thank you for your interest in the Ecological Gifts Program (EGP). After Environment and Climate Change Canada (ECCC) receives a completed Application for Appraisal Review and Determination of the Fair Market Value of an Ecological Gift (application) and an appraisal report that meets our guidelines, the Minister of Environment and Climate Change (the Minister) will make a determination of the fair market value of your donation. This determination and the issuance of the Statement of Fair Market Value are required for you to claim the appropriate income tax deduction or credit for ecological gifts. For additional information about the process, please contact the EGP Regional Coordinator nearest to you.

#### The process for determining and certifying the donation's fair market value is as follows:

- 1. Send the completed application, along with a colour copy (or PDF version) of an appraisal report completed by a qualified appraiser (see Guidelines for Appraisals), to your EGP Regional Coordinator. If there are multiple donors, each donor must sign the application or complete separate, yet identical, applications. Please ensure that the names of the donor(s) identified on the application match those on the property title. By signing the application, you are confirming the fair market value estimate you want reviewed by ECCC. All of the donation details on the application (area, property legal description, value, etc.) must match the details in the appraisal
- 2. In most cases, within 90 days of receiving the complete application package outlined above, ECCC will issue a Notice of Determination of Fair Market Value of an Ecological Gift (Notice of Determination) informing you of the value the Minister is prepared to certify with respect to your donation. This value may be the same as the original appraised value, or a different value recommended to the Minister by ECCC's Appraisal Review Panel. When reviewing your application, we will contact you if we require additional information. If you have authorized us to directly contact the recipient or the parties who prepared the appraisal report (and/or any other documents submitted in support of this application), we will do so where it is necessary to obtain additional information.
- 3. Within 90 days of the date of the Notice of Determination, you must notify ECCC of your decision to: 1) accept the value, 2) request a redetermination, or 3) withdraw your donation from the EGP.

If you accept the fair market value indicated on the Notice of Determination, you should finalize the appraised donation with the recipient organization if the donation has not already been made. If a redetermination request is made and little or no new market or valuation information is provided, it is likely to result in a confirmation of the original determined value on the Notice of Determination.

If you are not satisfied with the fair market value of your ecological gift as certified by the Minister after a redetermination, you have 90 days after the day on which the Statement of Fair Market Value is issued to appeal that value to the Tax Court of Canada (or the Court of Québec if the gift is in Quebec).

The fair market value listed on the Notice of Determination will apply to the appraised property for all income tax purposes related to charitable gifts for a period of two years from the Notice of Determination date, even if you withdraw your donation from the EGP.

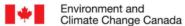
4. Once your donation is completed, send ECCC evidence that the appraised donation has been made (such as a copy of the registered transfer/deed and the registered easement, covenant, or servitude agreement if applicable). Upon receiving evidence that the appraised donation has been made, ECCC will send you the Statement of Fair Market Value, after which the recipient of your donation should provide you with the official donation receipt, based on the fair market value determined by ECCC less any advantage you have received from the recipient.

To claim the tax benefits for ecological gifts, the Statement of Fair Market Value, the Certificate of Ecologically Sensitive Land, Recipient Identification and Approval Pursuant to the Income Tax Act of Canada (or in Quebec, the Visa pour dons de terrains ou de servitudes ayant une valeur écologique), and your donation receipt (from the gift recipient) should be included with your income tax return.

If you have questions, please contact the EGP Regional Coordinator nearest to you.

Additional information is also available from:

National Ecological Gifts Program Secretariat **Environment and Climate Change Canada** Tel. (800) 668-6767 ec.pde-egp.ec@canada.ca



### Donors: Is your ecological gift a gift?

The Minister of Environment and Climate Change does not assess whether or not the transfer of land or of an easement, covenant or servitude qualifies as a gift for the purposes of the *Income Tax Act* (or the *Taxation Act* in Quebec). Therefore, it is important for donors to satisfy themselves that the transfer of land or of the easement, covenant or servitude qualifies as a gift for the purposes of the *Income Tax Act* (or the *Taxation Act* in Quebec). It is strongly recommended that donors obtain independent tax and legal advice in connection with all implications of the proposed donation.

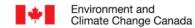
#### **Additional Information**

Additional information is available from the Canada Revenue Agency website or by calling 1-800-267-2384.

- Charities and giving
- P113 Gifts and Income Tax
- Income Tax Folio S7-F1-C1, Split-receipting and Deemed Fair Market Value
- Issuing complete and accurate donation receipts

Additional information is also available from the Environment and Climate Change Canada, Ecological Gifts Program <u>website</u>.

- Fact sheet: Confirmation that Ecogifts are Eligible for Split-Receipting
- The Canadian Ecological Gifts Program Handbook
- Other <u>EGP publications</u>



## Application for Appraisal Review and Determination of the Fair Market Value of an Ecological Gift

DONOR IDENTIFICATION (provide full names and contac	t details for all donors o	on the title to the donation	)
Name(s):			
Contact name(s) if donor is a corporation:			
Mailing address:			
Town/City: F	Province:	Postal code:	
Telephone: E	Email:		
PROPERTY IDENTIFICATION (this information must match the details in the appraisal)			
Type of donation: □ Land □ Covenant □ Easement □ Servitude □ Other – specify:			
Area of donation: □ hectares	□ acres		
Property legal description:			
Property or lot number(s) (e.g. PID or PIN):			
Has the property transfer already occurred? □ No □ Yes – date of registration:			
Include a copy of the registered transfer documents and agreements or any encumbrances on title, if applicable.			
APPRAISER IDENTIFICATION			
Name:			
Company:			
Appraiser's qualifications: □ AACI □ CRA □ ÉA □ Other(s) – specify:			
Were other experts involved in this appraisal (e.g. timber valuation expert)? ☐ No ☐ Yes – specify:			
APPRAISAL REPORT SUMMARY (please provide for all	donations listed on this	application)	
Appraised fair market value of donation <sup>1</sup> to be review			
Effective date of the appraisal:			
<sup>1</sup> In the case of an ecological gift of a conservation easement, covenant or servitude, the value of the gift is the			
difference between the "before and after donation" values.			
AUTHORIZATIONS			
Do you authorize Environment and Climate Change Canada donation about your proposed ecological gift, the content of other documents submitted in support of this application to	this application, the ap	praisal report and any	□ Yes □ No
Do you authorize Environment and Climate Change Canada communicate with the parties who prepared the appraisal re	a and its Appraisal Rev	riew Panel to	□ Yes
support of this application) concerning your proposed ecolo			□ No
additional information?  Do you authorize Environment and Climate Change Canada	a to communicate the o	determination of the fair	☐ Yes
market value with respect to the appraisal review and deter- proposed ecological gift?	mination process to the	e recipient of your	□ No
proposed ecological gift.			<u> </u>
I have read the application instructions and understand the appraisal review and determination process as described.			
Signature:			
Date:			
Date:	<del></del>		

Note: All donors identified above must sign the same application or separate, yet identical, applications. By signing the Application for Appraisal Review and Determination form, you are confirming the fair market value estimate you wish to be reviewed by Environment and Climate Change Canada.