

# Land Conservation Incentives Act (LCIA)

Water and Natural Resources Interim Committee  
September 11, 2025

Ben Shelton, Deputy Secretary, EMNRD

# LCIA Purpose Statement

*The Land Conservation Incentives Act encourages landowners to protect significant natural, open space, agricultural, and historic resources by providing a financial incentive for these charitable donations.*

# LCIA Overview

Bill	Statute	Rule
SB 581 (2003)	NMSA 75-9-1 NMSA 7-2-18.10	<a href="#">3.13.20 NMAC</a>

- Offers a state income tax credit to private landowners who donate land or an interest in land (e.g., conservation easement) for conservation purposes.
- The credit is 50% of the appraised value, up to \$250,000, and requires approval from the Secretary of EMNRD and the Natural Lands Protection Committee.
- The credit can be used over 20 years or transferred to another taxpayer.
  - The tax credit may be transferred (sold) to another taxpayer through a tax credit broker in minimum increments of \$10,000.

# The New Mexico Natural Lands Protection Committee (NLPC)

- Established under the Natural Lands Protection Act (1987)
- The NLPC advises EMNRD on whether proposed donations meet the conservation standards required for LCIA tax credits. This includes evaluating ecological, agricultural, scenic, and cultural values.
- The committee is chaired by State Forester Laura McCarthy and includes:
  - The Director of the Department of Game and Fish
  - The Commissioner of Public Lands
  - The Director of the New Mexico Department of Agriculture
  - The Outdoor Recreation Division of EDD
  - The Department of Indian Affairs
  - The Department of Cultural Affairs
  - Three public members appointed by the Governor, including at least one representative from the ranching or farming community

# LCIA Application Process

## 1. Donation:

A landowner donates land or a conservation easement to a qualified public or private conservation agency.

## 2. Application & Approval:

The landowner must apply to the EMNRD, and the Secretary of the EMNRD and the Natural Lands Protection Committee must approve the donation for eligibility.

## 3. Tax Credit:

If approved, the landowner receives a tax credit equal to 50% of the donation's fair market value, with a maximum of \$250,000.

## 4. Utilization:

The credit can be used to reduce the landowner's state tax liability over a 20-year period, or it can be transferred to another taxpayer.

**Next Assessment Application Deadline: October 31, 2025**

# Eligible Donations

Donations must meet certain criteria to be eligible:

- **Perpetual Protection:** The land must be protected for conservation purposes in perpetuity.
- **Conservation Purposes:** The donation should be for open space, natural resource protection, biodiversity conservation, agricultural preservation, or historic preservation.
- **Agency:** The recipient must be a qualified public or private conservation agency.

# Program Progress to Date

<b>2025</b>		<b>2004 to Present (9/2025)</b>	
Acres Conserved	7,982	Total Acres Conserved	596,827
Landowners	6	Total Landowners	220
Appraised Value	\$7,575,000	Total Appraised Value	\$167,798,844
Tax Credits Issued	\$1,470,500	Total Tax Credits Issued	\$41,433,014

# Contact Information

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