

Boston Sunday Globe

Founded 1872

RICHARD H. GILMAN *Publisher*

MARTIN BARON *Editor* RENÉE LOTH *Editor, Editorial Page*

HELEN W. DONOVAN *Executive Editor*

MARY JACOBUS
President & General Manager

RICHARD J. DANIELS
President, Boston Globe Media

LESS TAX, MORE LAND

EACH DAY, about 40 acres of open space in Massachusetts get gobbled up for development. To protect some of the most environmentally important areas, the state and private conservation organizations buy properties outright or purchase from their owners the right to prevent development. In recent years, state funding for open-space protection has lagged, however. To help fill the gap, supporters of conservation are pushing a bill that would give credits on the state income tax to individuals who donate land of environmental significance to the state, municipalities, or nonprofit open-space organizations.

Fourteen other states have similar laws and have found them to be an effective way to spur such acts of philanthropy, especially at a time when rising land values increase the incentive for land owners to sell to developers. The measure deserves approval by both houses of the Legislature.

Before the state's budget crunch, the state was a leader in land acquisition. For a period of 10 years before 2003, outlays for this purpose averaged \$53 million a year, all under Republican governors. Since 2003, funding has ranged from \$17 million to \$34 million.

The bill would allow tax credits equal to half the appraised fair market value of the land. No credit could exceed \$50,000 or be more than the donor's state income-tax liabil-

ity. But it would be possible to carry the credit forward for 10 consecutive years.

To qualify for the credit, the land would have to provide unfragmented wildlife habitat, protect drinking water supplies, or include archeological or historical resources, scenic vistas, or recreational opportunities. Land that benefits tourism, farming, or forestry could also qualify. The Executive Office of Environmental Affairs would have to certify the environmental importance of parcels proposed for the tax credit program.

A study by the state Department of Revenue in 2005 indicated that the credits would not lead to a major drain in state revenues. The study projected a loss of about \$4 million a year by the time the credit was up and running, a manageable amount in a state budget of about \$25 billion. If the Massachusetts bill works like a similar one adopted by North Carolina, each \$1 in lost tax revenue would yield \$12 in the value of protected land.

Protecting open space is just one way to reduce sprawl. Zoning laws that permit greater residential density and smart-growth projects that concentrate retail and commercial development near public transit or in urban centers are also needed. But the landscape and environmental resources of Massachusetts will suffer if there are not more ways to preserve forests, cropland, and meadows. In this worthy effort, the conservation tax credit is a sensible tool.