



## 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. After Environment Canada 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 the Environment will make a determination of the fair market value of your donation. This determination is required for you to claim the appropriate income tax deduction or credit for ecological gifts. If you need information about the process, please contact Environment Canada's regional coordinator nearest to you (see: <http://www.cws-scf.ec.gc.ca/egp-pde>).

The process of determining and certifying the donation's fair market value includes the following steps:

1. Please complete this application form and send it, along with three copies of an appraisal report completed by a qualified appraiser (see *Guidelines for Appraisals* at <http://www.cws-scf.ec.gc.ca/egp-pde/default.asp?lang=En&n=2E498C05-1>) to your Environment Canada regional coordinator (see: <http://www.cws-scf.ec.gc.ca/egp-pde> for contact information). If there are multiple donors, each donor should sign the application or complete separate but identical applications. Please ensure that the names of the donor(s) identified on the application form match those on the property title. By signing the *Application*, you are confirming the fair market value estimate you wish to be reviewed by Environment Canada.
2. In most cases, within 90 days of receiving your complete application package (outlined above) Environment Canada will issue a *Notice of Determination of Fair Market Value of an Ecological Gift (Notice of Determination)* informing you of the value the Minister of the Environment 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 of the Environment by Environment Canada's Appraisal Review Panel. While reviewing your application, we will contact you if we require additional information. Also if you authorize us to contact the recipient or the appraiser directly, we will do so where it is necessary to obtain additional information.
3. Within 90 days of the date of the *Notice of Determination Date*, you must notify Environment Canada whether you: 1) accept the value, 2) request a redetermination, or 3) withdraw your donation from the Program. If you accept the fair market value indicated on the *Notice of Determination*, you should proceed to finalize the appraised donation with the recipient organization, if the donation has not already been made. A redetermination request where the value on the *Notice of Determination* is the same as on the *Application*, and when no or little new market or valuation information is provided, is likely to result in a confirmation of the original determined value on the *Notice of Determination*.  
  
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 Program.
4. Once your donation is completed, send Environment Canada 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 was made, Environment Canada will send you the *Statement of Fair Market Value*, after which the recipient of your donation should provide you with the official donation receipt.

The *Statement of Fair Market Value*, the *Certificate of Ecologically Sensitive Land, Recipient Identification, and Registered Charity 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 recipient of your ecogift) should be included with your income tax return to claim ecological gifts tax benefits.

**Please note:** If donors are not satisfied with the fair market value of their ecological gift as certified by the Minister of the Environment after a redetermination, they 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* (and the *Court of Québec* if the gift is in Quebec).

If you have questions, please contact an Environment Canada regional coordinator nearest to you (see: <http://www.cws-scf.ec.gc.ca/egp-pde> for contact information). Additional information is also available from:

National Ecological Gifts Program Secretariat  
Environment Canada  
351 St. Joseph Blvd, 3<sup>rd</sup> Floor  
Gatineau, Quebec K1A 0H3  
T. (800) 668-6767 / F. (819) 953-3575  
[ecogifts@ec.gc.ca](mailto:ecogifts@ec.gc.ca)



## Donors: Is your ecological gift a gift?

While the federal Minister of the Environment or designate certifies the ecological sensitivity, approves the charitable recipients and certifies fair market value of ecological gifts, and while certain delegates may also certify ecological sensitivity and approve charitable recipients, it is up to **donors** to ensure that their donations meet the definition of a gift under the *Income Tax Act* (as well as, in Quebec, the *Taxation Act*). In certifying the ecological sensitivity of the land, approving the recipient and certifying the fair market value of the property, neither the Minister of the Environment, Environment Canada, nor any delegated Certification Authority 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 for 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* (as well as for 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.

### The following additional information is available from the Canada Revenue Agency (CRA):

**Gifts and Income Tax**, available at [www.cra-arc.gc.ca/E/pub/tg/p113/p113-e.html](http://www.cra-arc.gc.ca/E/pub/tg/p113/p113-e.html) or by calling 1-800-267-2384

**Gifts and Official Donation Receipts**, IT-110R3, available at [www.cra-arc.gc.ca/E/pub/tp/it110r3/it110r3-e.html](http://www.cra-arc.gc.ca/E/pub/tp/it110r3/it110r3-e.html) or by calling 1-800-267-2384

**Proposed Guidelines on Split-Receipting**, Income Tax Technical News No. 26, available at [www.cra-arc.gc.ca/E/pub/tp/itnews-26/itnews-26-e.pdf](http://www.cra-arc.gc.ca/E/pub/tp/itnews-26/itnews-26-e.pdf) or by calling 1-800-267-2384

### The following additional information is available from Environment Canada:

**Confirmation that Ecogifts are Eligible for Split-Receipting**, fact sheet, available at <http://www.cws-scf.ec.gc.ca/egp-pde/default.asp?lang=en&n=D85A0090> or from the Environment Canada regional coordinator nearest to you (see: <http://www.cws-scf.ec.gc.ca/egp-pde>).



GIFT ID: \_\_\_\_\_

For Environment Canada use only

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### DONOR(S) IDENTIFICATION

(provide full names and contact details for all donors on the title to the donation)

Name(s): \_\_\_\_\_

Address(es): \_\_\_\_\_

Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

Contact Name(s) if donor is a corporation: \_\_\_\_\_

### PROPERTY IDENTIFICATION

Type of Donation:  Land  Covenant  Easement  Servitude

Area of Donation: \_\_\_\_\_  hectares  acres

Legal Description: \_\_\_\_\_

Has the property transfer already occurred?  No  Yes If yes, indicate Date of Registration: \_\_\_\_\_

Please include a copy of the registered transfer documents and agreements (if applicable).

### APPRAISER IDENTIFICATION

Name: \_\_\_\_\_ Company: \_\_\_\_\_

Appraiser's qualifications:  AACI  CRA  ÉA  Other(s): (Specify) \_\_\_\_\_

Has the appraiser attended an AIC or OEAQ Ecological Gifts Seminar?  Yes  No  Unknown

### APPRAISAL REPORT SUMMARY

If the donation is a partial interest in land (easement, covenant, servitude), please provide:

Value of land before donation (unencumbered): \$ \_\_\_\_\_

Value of land after donation (encumbered): \$ \_\_\_\_\_

Whether donation is partial interest or land (title/fee simple), please provide:

**Appraised Fair Market Value of donation to be reviewed:** \$ \_\_\_\_\_

Effective date of the appraisal: \_\_\_\_\_

Were other experts involved in this appraisal (eg, timber valuation expert)?:  No  Yes \_\_\_\_\_  
(Specify)

### AUTHORIZATIONS

Do you authorize Environment Canada to communicate with the recipient of your donation about your proposed ecological gift, the content of this Application, the appraisal and any other documents submitted in support of this Application to obtain additional information?

Yes  
 No

Do you authorize Environment Canada and Environment Canada's Appraisal Review Panel to communicate with the parties who prepared the appraisal (and any other documents submitted in support of this Application) concerning your proposed ecological gift, the appraisal and other documents submitted with it to obtain additional information?

Yes  
 No

Do you authorize Environment Canada to communicate the determination of the fair market value with respect to the appraisal review and determination process to the recipient of your proposed ecological gift?

Yes  
 No

I have read the application instructions and understand the appraisal review and determination process as described.

Date: \_\_\_\_\_

Donor(s) Signature(s) \_\_\_\_\_

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