

Saving Minnesota's Recreational Lands for Public Values

Prepared for

***Minnesota Seasonal Recreational Property
Owners Coalition, Inc.***

and

The Legislature of the State of Minnesota

Prepared by

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1 The Need

Minnesota, like other states before it, is in the process of losing its recreational character and opportunities. Forests are being fragmented and shorelines subdivided and developed. Water quality is declining precipitously and Aquatic Invasive Species are spread. If nothing is done, it will follow the same path that more crowded east coast and west coast states have already taken and will arrive at the same outcome. Minnesota, however, will have lost more than most other states because its personality and outside reputation are more linked to its lakes and north woods beauty.¹

As population pressure increases, the number of acres of publicly usable recreation land per resident and visitor diminishes. With land held in smaller and smaller exclusively-used parcels, the shrinkage eliminates public access to—and benefits from—undeveloped private lands and reduces the quality of life.

The immediate response might appear to be for the state to acquire public land to put into wilderness and recreational use as was advocated and accomplished by foresightful individuals like Sigurd F. Olson and Hubert Humphrey in the 1950s and 60s resulting in the creation of the Boundary Waters Canoe Area and Voyageurs National Park. These efforts are commendable for their time, but to be worthy of emulation in our generation require careful consideration of the public expenditures involved and the potential for involuntarily removing lands from local control. This may not be the right answer without additional options. An option with few drawbacks would allow owners to maintain ownership while still recognizing and meeting the public's demand for open spaces.

Minnesota is unlike other states because much of its recreational property is still held in large, privately-owned tracts by average citizens, many of whom are not privileged or wealthy. Most of Minnesota's seasonal recreational landowners are

¹ The economic importance to the state of tourism and recreation in its various forms—hunting, fishing, camping, seasonal vacationers, and other—is great. For example, according to the University of Minnesota tourism center, tourism accounts for 28 million visitors annually, and over 280,000 associated direct jobs. Including indirect jobs and standard multiplier effects, the ultimate impact is significant and much larger. (www.tourism.umn.edu/research/ata glance/index.html accessed 9 December 2006).

older—the average is 62 years old, meaning most are older—typically retired, and have less ability to pay taxes than neighboring year-around working residents² They also use fewer public services and are on their property only 55 days per year on average. In the past, these owners were happy to leave their land in an undeveloped state that benefited them and benefited the public. For example, many owners were willing to leave their land un-posted; hunters and nature lovers could wander over it to no one's harm. This is the fortunate result of Minnesota's particular history. It has been a good situation for all. But the situation is rapidly changing.³

2 Background.

Two essential forces, or threats, are at work that, if understood and redirected, can provide the basis for win-win adjustments that preserve Minnesota's residents' and tourists' access to its lakes and forests in quantity and quality. If allowed to proceed unchecked, however, they will combine to cause the destruction of valuable public recreational land use benefits. The forces are

1. the unbalanced, unintended inducements created by the current property tax system to take recreational land from the average owner and shift it to the wealthy, and
2. official ignorance of how to harness land use externalities for the public good.

² According to Minnesota Seasonal Recreational Property Owners (MSRPO) sources, the average household income of seasonal landowners is below the state average; 55% are retired; and 45% live on fixed incomes. Streizack Consulting, 2005 Minnesota Resident Seasonal Property Ownership Study, MSRPO, Minneapolis.

³ According to MSRPO sources, housing densities in Northern Minnesota have increased 25% from just 1990 to 2000. As noted, the size of tracts is diminishing. Nearly 400,000 acres of land, most of it owned by timber companies...land that was once open for public use, has been sold in recent years. Another million acres of large, mostly undeveloped private tracts are at risk of being sold off in the near future. According to Brad Moore, assistant DNR commissioner for operations, "People are calling us to say that they've lost the land they've deer hunted on for decades"(emphasis ours). (John Meyers, "Vanishing Forest," *Duluth News Tribune*, 28 June 2006.) Governor Pawlenty's 2006 Capital Budget states, "A small window of opportunity exists to positively affect a historically important forestland ownership trend that threatens to forever change the character of Minnesota's north woods."

Threat 1. Economists know that the best taxes acquire the needed amount of public revenue without interfering in private economic decisions or forcing unintended private actions. Taxes should not unintentionally discriminate against the different ways citizens use their money to pursue happiness. An implication is that good taxes balance the private opportunity costs of the dollars collected, vary by the degree of benefits received by the payer from the supported public expenditure, and rise with greater consumption. Road taxes are frequently collected in the form of gasoline levies, for example, because use of gasoline approximates road usage quite well. Property taxes, which are a hold-over from an earlier era when farming and land was a source of income, violate these principles in current practice.

Taxing the flow of utility services (enjoyment through time) received from land use at the same rate as taxation of utility services received from other consumption satisfies the good taxation principle. If tax on the flow of utility from land exceeds the value of the utility received from it, individuals who are not wealthy and who do not earn money off their land are forced to sell it because they cannot afford high property taxes that bear no resemblance to their benefits or ability to pay. For them, the cost of utility from land has been made inappropriately high compared to buying utility from other sources. In simple terms, I cannot afford to pay \$4,000 in taxes for recreational land that provides me a flow of utility worth \$400 when, if the benefits from the land were taxed at the same rate as other sources of utility, I could continue to own it.⁴ Often the landowner does not even live in the area—this is related to why the land is undeveloped—and so does not have children in the schools. Land left in the undeveloped state produces a small amount of enjoyment value that cannot be balanced against high taxes on it unless the owner is rich. This is why taxes on land set at too high a level force recreational land to migrate to the wealthy only. Tracts that would have stayed wild and whole if taxes on them were levied at balanced levels (compared to taxes on utility derived from other goods and services) are purchased by developers who subdivide them and place them off limits to the public when the process reaches its conclusion. Due to this effect, the average size of a recreational property in Minnesota has shrunk from 79 acres to 53 acres.

⁴ See footnote 6 for a discussion of the appropriate size of property taxes.

In sum, *the excessive transfer of land to developers and its removal from public use is the unintended consequence of false incentives that are created by taxing the utility derived from land use at higher levels than utility derived from other consumption expenditures.*

Threat 2. Long-time residents of rural counties see themselves barred from casual use of lands and waters that they once enjoyed and had access to for years because the land has gone to out-of-area developers who care nothing about the loss of public use value that their actions create. Developers sub-divide to the limit allowed by local zoning, thereby destroying the public benefits that once were provided by the land. Reasons for the transfer have been discussed above. Here we discuss the lack of caring about public benefits. Owners and developers cannot be expected to do differently unless the incentives are in place for them to use their land in socially cooperative ways.⁵

Public benefits—called externalities by economists—are disregarded by developers because they have no reason to take into account that their developing destroys public recreational value in the process of creating the private value that they can sell and make their profit on. Taxing land only on the consumption value that it generates to its owner (discussed above) and recognizing the public benefits that the land provides results in a neutral system that does not force the transfer to the rich and rewards the public services provided from private lands.⁶

⁵ A 2006 Capital Budget prepared by the Minnesota DNR states, “TIMOs [timber investment management organizations] and the investors they represent generally have a shorter-term outlook...Nearly a million acres...are at risk of being sold and converted into smaller parcels” as real estate. (Brad Moore, *2006 Capital Budget; Large-Scale Forest Conservation Easements, Governor’s Recommendation: \$10,000,000*. St. Paul: Minnesota Department of Natural Resources, 2006.)

⁶ Economists know that consumption is the source of economic well being and measures its quantity. Consumption over a lifetime represents a person’s economic ability to pay. Taxing consumption taxes saving because saving leads to increased consumption in the future which is taxed when it results in the future consumption. This also results in a tax base that cannot be avoided. Assets transferred to a later generation, for example, are taxed the moment they are used for consumption. If they are not used for consumption they never generate well being and do not need to be taxed because this would unbalance the taxes on utility-generating sources. Progressivity can be raised or lowered as desired by fixed rebates. The rich pay progressively more taxes because their consumption over a lifetime is greater.

The implication for the appropriate level of property taxation is that the consumption value of property should be subject to the same tax rate as other consumption items. Assume that the land parcel is worth \$25,000 and that it would earn $.04 \times \$25,000 = \$1,000$ per year if the

Why do out-of-area owners not behave like locals? Nobel economist Ronald Coase explained that transaction costs often prevent the socially cooperative use of resources. Minnesotans derive great pleasure from boating on lakes with undeveloped shorelines and being able to do so on multiple lakes over multiple outings. If the transfer of beauty value were rewarded in equal measure to the reward for other things, the owner would take this into account and provide the rewarded benefits. Practically speaking, though, it is impossible for the boater to reward each and every shoreline owner for the value of the undeveloped beauty they transfer to the boater. A farmer who provides a hunting party pheasant hunting benefits from his land in return for a payment or return favor has low transactions costs because it needs just one farm and one leaser. When everyone is local, the transactions costs are low. The situations we are increasingly concerned with have high transactions costs and need a public mechanism that provides the right incentives to all parties and is easy to administer.

3 What Can Be Done?

Preserving Minnesota's recreational land values requires constructing arrangements and incentives so that stakeholders *want* to do the socially desirable thing. A good program should be easy to administer by the county, and the same amount of taxes for counties must be collected as before.

What does the landowner want? He wants indemnity from lawsuits that might result from permission that he gives to those who use his land in selected ways, and he wants to be better off for what he chooses to provide to the public. The general citizen wants an easy way to know where and what benefits from private land to which he is

equivalent value were saved and a perpetual flow of earnings removed. (A 4 percent take-out rate in perpetuity is an often cited rule of thumb for capital assets used to fund retirement, for example.) Foregoing \$1,000 implies that the consumption value of spending \$1,000 on other goods is generated to the owner of the \$25,000 tract. The average tax rate on consumption is lower than current sales tax rates because sales taxes are not collected on the entire base. Presume that the average consumption tax rate is 5 percent. Then the appropriate tax on the consumption value produced by the land would be $.05 \times \$1,000 = \50.00 . \$50.00 taxes the consumption value of the \$25,000 land at the same rate as other consumption and so does not discriminate against land ownership. It allows poor land owners to retain their land in current use, which is appropriate. The implied tax on property value is generally far less than current property taxes levy. In many cases, land taxes are 7, 8 or even 10 times or more what they should be.

entitled. The county wants the same total taxes as before, and an easy-to-administer program.

Good Samaritan Laws. Examples that meet needs similar to those described already exist. For example, doctors who render aid at an accident scene open themselves to malpractice lawsuits. States have responded with Good Samaritan laws that state that a person who in good faith administers emergency care is not liable in civil damages for an act performed during the emergency. Otherwise, doctors would have an incentive never to render aid. The appendix contains an example of such law.

Cooperating with Public Purposes. Likewise, land that is used in publicly valuable ways is currently rewarded by reduced levies in many areas. New York state passed a measure in 2005 that allows a 25% rebate of property taxes for owners that enroll their land in a conservation easement program. The federal government in the same year expanded the income tax benefit of granting conservation easements to 50% of the value spread over 16 years.

In another example, the City of Minneapolis reduces the taxes on properties that implement effective storm water management practices on the land.⁷ The appendix contains information on this program

4 The Plan

Using these examples we can envision the following program:

1. Property designations are established. Properties designated to be in group A, for example, might agree to leave shoreline undeveloped.⁸ Properties in group B might allow small game hunting during the season days only. Properties in C might be some other designation, and so on.
2. The county sets out a “clipboard” each year in which land owners place their properties on the lists of their choice for the coming year if they choose to do so.
3. In return, properties on the lists pay taxes equal to a reduced percentage of what they would pay if not so listed. For example, properties on list B might

⁷ See http://www.ci.minneapolis.mn.us/stormwater/what-we-do/Stormwater_Mngmnt_FeeCredits.asp accessed 30 November 2006.

⁸ Shoreline is a concern in many states. For example, there has been a successful shoreline program in Becker County, Wisconsin.

pay taxes equal to 70 percent of what it would pay if not so listed. In addition, properties on list B would receive protection from lawsuits over the use of their land resulting from small game hunting during the season. Rates apply for the year of listing only, and can be changed from year to year by the county as experience grows about the amount of land owner response. For example, if too few participate in a designation, then the rate can be made more attractive.

4. Citizens reference the clipboard as they need to know what properties are designated which ways. For example, if small game hunting were under consideration, the citizen would know what parcels were listed. Private firms might even have an incentive to provide the needed information in maps that could be purchased from them.
5. The county collects the same tax totals as before. Only the distribution is changed so as to reward the provision of public benefits.

An implementation question is how to treat property owners that do not own land of the relevant type. This can be done in two different ways as desired by the county. Surprisingly, the more effective way allows all property owners to designate their land on any list. Take the example of shoreline development. The objective is to reward landowners who do not develop shoreline.⁹ Assume that all landowners who pledge not to develop shoreline pay taxes equal to a reduced fraction of what would otherwise be the case. Then, by choice only landowners with shoreline who develop pay the standard rate. This singles out the target group and creates a strong incentive for them not to develop, which, after all, is the goal of the program. If landowners without shoreline were excluded from the program, the incentive for shoreline owners not to develop would be less strong because non-shoreline owners would be treated the same as shoreline developers.

Several points are important. First, from a political standpoint, allowing all property owners to participate may add to the appeal and public acceptance of the program because it means that everyone paying the standard (higher) tax rate is doing so voluntarily. Second, there is no effect on total taxes collected, so the program can

⁹ If a landowner left X percent of his shoreline undeveloped, the reward would apply to X percent of his property tax liability. These are implementation details that can be handled at the appropriate time.

be implemented either way. Whichever way is politically more popular can be selected as desired. From an economic standpoint, however, the format is best that singles out most precisely the target group to be influenced.

5 Example Showing Total Taxes are Unaffected by the Program.

The plan is not a plan for reducing property taxes. It is always possible to arrange the system to provide the described incentives and collect the same total taxes. The size of the incentive is an implementation choice of the county. Consider a hypothetical county of 5000 properties, each of which pays \$200 in property taxes. Designations A and B are established. Placing a property in designation A or B reduces property taxes by 30 percent. Placing a property in both reduces taxes by 60 percent. 400 properties have lakeshore, 50 of whom are induced not to develop lake shore and place themselves on list A. Likewise, 150 properties choose to place themselves on list B, 25 of which are shoreline owners also on list A. For simplicity, assume that no lake shore developers place themselves on list B. In this example, a simple calculation reveals that the same property taxes are collected when properties on list A or B pay \$196.63, property on both lists A and B pays \$112.36 and properties on neither pay \$280.90.¹⁰ \$196.63 is 70 percent of \$280.90. The reader can verify that the other proportions are correct also.

6 Summary

Dysfunctional incentives that are built into the current property arrangements can be corrected with no loss in total taxes collected. The following summarizes the main points raised in this short treatment.

- Minnesota is following the path of other states that have seen the transfer of recreational property from ordinary citizens to developers and the rich

¹⁰ Set $t_A = t_B = .7 t$, $t_{BA} = .4 t$, and $\$1 m = 4500 t_A + 0 t_B + 150 t_{BA} + 350 t$. Solve for the needed tax rates. Note that if utility from land use is treated like other consumption, then tax rate t is appropriate and comparable to the tax rate on utility derived from other consumption expenditures. See footnote 6.

who remove it from public use and destroy public benefits previously available.

- Unbalanced property taxes in Minnesota induce the transfer of recreational property from the poor to the rich and fail to reward provision of public benefits from private land.
- A good tax system
 - a) balances the tax rates applied to the different ways citizens use their money to pursue happiness and
 - b) rewards owners of property that is used in socially cooperative ways.
- The latter is addressed by an easy-to-administer program that provides rewards to socially cooperative land uses by
 - 1) providing legal immunity from lawsuits related to the permitted public use,
 - 2) reducing property tax to a selected fraction of what would have been levied without the public use being permitted, and
 - 3) calibrating tax rates to collect the same total taxes as before.
 - 4) The result of such a program benefits all stakeholders.
 - a) The public receives benefits from the designated private land;
 - b) landowners voluntarily designate their land to provide public benefit;
 - c) counties receive the same total taxes as before; and
 - d) the arrangements can be adjusted on a year to year basis. In particular, landowners can add or remove their properties from designation.

Other tools exist that also can be made part of the solution. These include more astute use of local or county zoning that attempts to preserve the spillover benefits and local character that local zoning protects. On Martha's Vineyard, for example, zoning prevents undeveloped land from being subdivided into parcels less than one acre in size, and other rules are enforced to preserve the island's recreational character.

Land conservation easement programs also have some role to play, but probably need to be augmented by plans like this one that allow owners to change designations on a year by year basis. While income tax benefits make conservation easements

attractive to the wealthy, the majority of seasonal owners in Minnesota are retired and have no need of income tax write offs. Placing a conservation easement on a property typically does not affect the assessed value for property taxes, so there is a strong disincentive for lower income people to use this tool.

In conclusion, as our experience with crowding grows, we need to develop innovative ways to get the most out of our resources. Developing classes of land ownership is one such innovation. The extremes are pure private land with no benefits and no access to anyone but the owner at one end and pure public land, at the other, to which everyone has access. Between these extremes, new classes of private ownership can be developed whereby the public can reap selected benefits from private land without harm to the landowner. Such innovations are win-win, but need legislative input and guidance to be properly implemented.

APPENDIX

Annotated California Codes, Business and Professions Code, Sections 1600 to 2528.99, Official California Business and Professions Code Classification.

§ 2395. Emergency care at scene of accident

No licensee, who in good faith renders emergency care at the scene of an emergency, shall be liable for any civil damages as a result of any acts or omissions by such person in rendering the emergency care.

"The scene of an emergency" as used in this section shall include, but not be limited to, the emergency rooms of hospitals in the event of a medical disaster. "Medical disaster" means a duly proclaimed state of emergency or local emergency declared pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code).

Acts or omissions exempted from liability pursuant to this section shall include those acts or omissions which occur after the declaration of a medical disaster and those which occurred prior to such declaration but after the commencement of such medical disaster. The immunity granted in this section shall not apply in the event of a willful act or omission.

(Added by Stats.1980, c. 1313, p. 4492, § 2.)

**RESOLUTION
of the
CITY OF
MINNEAPOLIS**

By Colvin Roy and Johnson

Designating the utility rates for sewer rental and stormwater service effective with water meters read on and after March 1, 2005.

Resolved by The City Council of The City of Minneapolis:

Sewer Rental Rate

Effective with utility billings for water meters read on and after March 1, 2005, the meter rates for sewer are hereby fixed and shall be collected as follows:

The sewer rental rates shall be applied to utility billings for water meters read from and after March 1, 2005. The sewer rental rates will be charged to properties within and outside the City of Minneapolis that are served directly by the City of Minneapolis sewer system and that are all served either directly or indirectly by the sewage disposal system constructed, maintained and operated by the Metropolitan Council Environmental Services under and pursuant to Minnesota Statutes Sections 473.517, 473.519 and 473.521, Sub. 2, are hereby set as follows:

- (a) The sewer rental rate applicable inside the City of Minneapolis is two dollars and zero cents (\$2.00) per one hundred (100) cubic feet. The minimum sewer rental rate shall be two dollars (\$2.00) per month.
- (b) The sewer rental rate applicable outside the City of Minneapolis for all sewage flow generated is two dollars and zero cents (\$2.00) per one hundred (100) cubic feet. The minimum sewer rental rate shall be six dollars (\$6.00) per month. Sewer rental only service shall be thirteen dollars (\$13.00) per month.
- (c) The sewer rental charge for residential property not exceeding three (3) residential units shall be based on the volume of water used during the winter season which is defined as a four (4) month period between November 1 and March 31.
- (d) The sewer rental charge for residential property exceeding three (3) residential units and all other commercial and industrial property shall be based on measured sewage volume or the total water volume used during the billing period as is appropriate.

Stormwater Rate

The stormwater rate, subject to the provisions in Chapter 510, of the Minneapolis Code of Ordinances, is established and a stormwater charge is imposed on each and every Single-Family Residential Developed Property, Other Residential Developed Property, Non-Residential Developed Property, and Vacant Property, other than Exempt Property, and the owner and non-owner users. In the event the owner and non-owner user of a particular Developed Property are not the same, the liability for the owner and non-owner user for the stormwater charge attributable to the Developed Property shall be joint and several liability.

The stormwater charge will be applied against properties on and after March 1, 2005, and the Equivalent Stormwater Unit (ESU) rate is eight dollars and seventy-two cents (\$8.72). The ESU measurement is 1,530 square feet of impervious area.

For stormwater charges imposed on Single-Family Residential Developed Properties, the properties are categorized into one of three tiers based on the estimated amount of impervious area as follows:

- Single-Family Residential Developed Property/High – greater than one thousand five hundred and seventy-eight (1,578) square feet of estimated impervious area.
- Single-Family Residential Developed Property/Medium – equal to or greater than one thousand four hundred eighty-five (1,485) square feet and less than or equal to one thousand five hundred seventy-eight (1,578) square feet of estimated impervious area.
- Single-Family Residential Developed Property/Low – less than one thousand four hundred eighty-five (1,485) square feet of estimated impervious area.

The ESU and stormwater charge for each of these tiers shall be as follows:

<u>Tier</u>	<u>ESU</u>	<u>Stormwater Charge</u>
High --	1.25	\$ 10.90
Medium --	1.00	\$ 8.72
Low --	0.75	\$ 6.54

Stormwater Charges for all other properties will be based on the following calculation:

$$(\text{Gross Lot Size in sq. ft.} \times \text{Runoff Coefficient}) / 1,530 \text{ sq ft} = \# \text{ of ESU}$$

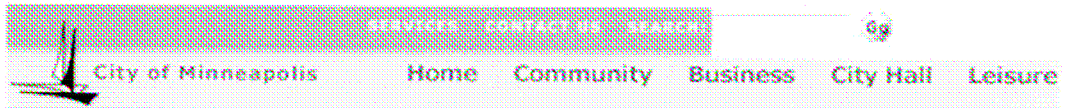
$$\# \text{ ESU} \times \$8.72 = \text{Monthly fee}$$

The runoff coefficient assumed for each land use category is shown in the table below.

Table 1

LANDUSE	Coefficient Applied
Bar- Rest.- Entertainment	.75
Car Sales Lot	.95
Cemetery w/Monuments	.20
Central Business District	1.00
Common Area	.20
Garage or Misc. Res.	.55
Group Residence	.75
Ind. Warehouse- Factory	.90
Industrial Railway	.85
Institution- Sch.- Church	.90
Misc. Commercial	.90
Mixed Comm.- Res- Apt	.75
Multi-Family Apartment	.75
Multi-Family Residential	.75
Office	.91
Parks & Playgrounds	.20
Public Accommodations	.91
Retail	.91
Single Family Attached	.75
Sport or Rec. Facility	.20
Utility	.90
Vacant Land Use	.20
Vehicle Related Use	.90

How you can reduce your stormwater fee



[^ Storm and Surface Water Home](#)

Stormwater Utility Fee/Credits Project

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Credits](#)

[Applying for Stormwater Quality
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[Applying for Stormwater
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[Stormwater Utility Ordinance
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[Sewer & Stormwater Rate
Resolution \(pdf\)](#)

[Stormwater Utility Fee](#)

[Stormwater Management
Requirements – Chapter 34](#)

[Stormwater Submission Form](#)

[Best Management Practice Forms](#)

Related Links

[Met Council's MNUrban Small
Sites BMP Manual](#)

How you can reduce your stormwater fee

The City's Stormwater Credit Program gives people incentives to implement effective stormwater management practices on their properties.

Stormwater is managed in two ways: stormwater quality and stormwater quantity. The program offers customers a way to reduce their monthly stormwater utility fee by putting in place stormwater practices or tools that manage their property's stormwater quality or quantity.

- **Water quality:** Urban activities increase the potential for surface and groundwater pollution.
- **Water quantity:** Less land to absorb stormwater means an increase in the volume of stormwater and the rate at which it flows into the storm drain system.

The Stormwater Credit system provides:

- **up to 50 percent credit** (reduction) in your stormwater utility fee for management tools/practices that address **stormwater quality**;
- **50 percent or 100 percent credit** (reduction) in your stormwater utility fee for management tools/practices that address **stormwater quantity**.

Note that maximum credits are cumulative and cannot exceed 100 percent credit.

[Applying for Stormwater Quality Credits](#)

[Applying for Stormwater Quantity Credits](#)

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Delaware Recreational Use Statute

DELAWARE CODE TITLE 7. CONSERVATION PART VI. ARCHAEOLOGICAL AND GEOLOGICAL RESOURCES CHAPTER 59. PUBLIC RECREATION ON PRIVATE LANDS

5901. Purpose

The purpose of this chapter is to encourage owners of land to make land and water areas available to the public for recreational purposes by limiting their liability toward persons entering thereon for such purposes, whether such persons entered upon the land of the owner with or without consent of the owner.

5902. Definitions

As used in this chapter:

- (1) "Land" means land, roads, water, watercourses, private ways and buildings, structures, and machinery or equipment when attached to the realty.
- (2) "Owner" means the possessor of a fee interest, tenant, lessee, occupant or person in control of the premises.
- (3) "Recreational purpose" includes, but is not limited to, any of the following, or any combination thereof: Hunting, fishing, swimming, boating, camping, picnicking, hiking, pleasure driving, nature study, water skiing, winter sports, and viewing or enjoying historical, archaeological, scenic or scientific sites.
- (4) "Charge" means the admission price or fee asked in return for invitation or permission to enter or go upon the land.

5903. Limitation on duty of owner

Except as specifically recognized by or provided in s 5906 of this title, an owner of land owes no duty of care to keep the premises safe for entry or use by others for recreational purposes, or to give any warning of a dangerous condition, use, structure or activity on such premises to persons entering for

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TITLE 30

State Taxes

Income, Inheritance and Estate Taxes

CHAPTER 18. LAND AND HISTORIC RESOURCE TAX CREDIT

Subchapter I. Land Donated for Conservation or Preservation

§ 1801. Short title.

This subchapter shall be known as the "Delaware Land and Historic Resources Protection Incentives Act of 1999." (72 Del. Laws, c. 254, § 1; 73 Del. Laws, c. 6, § 1.)

§ 1802. Findings and purpose.

(a) The General Assembly finds:

(1) That the State of Delaware's unique natural resources, wildlife habitats, historic resources and resources of outdoor recreation are a significant benefit to the State and the public;

(2) That the State of Delaware's unique natural resources and distinctive natural heritage, including habitat for plants, animals and natural communities and historic resources, are being lost at an alarming rate; and

(3) That much of the State's unique natural resources and habitats and historic resources are found on lands that are privately owned.

(b) The General Assembly desires:

(1) To encourage private landowners to be stewards of lands that are important habitats or designated natural areas, or that contain significant historic resources;

(2) To complement existing land conservation acquisition programs under the Delaware Land Protection Act, as set forth in Chapter 75 of Title 7, and historic preservation programs, and not duplicate them and thereby preserve public financial resources and leverage public expenditures; and

(3) To provide private landowners with incentives to encourage protection of private lands for open space, natural resources, biodiversity conservation, outdoor recreation and historic preservation purposes. (72 Del. Laws, 1st Sp. Sess., c. 254, § 1.)

(a) There shall be allowed as a credit against the tax imposed by Chapters 11 and 19 of this title, an amount equal to 40% of the fair market value of any land or interest in land located in Delaware that is conveyed for the purpose of open space, natural resource and/or biodiversity conservation or historic preservation as an unconditional donation in perpetuity by the landowner/taxpayer to a public or private conservation agency eligible to hold such land and interests therein for conservation or preservation purposes. The fair market value of qualified donations made under this chapter shall be substantiated by a "qualified appraisal" prepared by a "qualified appraiser," as those terms are defined under applicable federal law and regulations governing charitable contributions.