

Schedule A Application for a Land Preservation Credit
Form LPC-1 Allocation Schedule and Calculation of Fee



- For an original Land Preservation Tax Credit derived from a donation by joint donors including married taxpayers, provide the information requested for each person or entity.
- If you are a pass-through entity (such as an S Corporation), provide the information requested for each person or entity receiving a credit amount. A separate Schedule A must also be completed for each pass-through entity receiving a credit amount. Attach additional pages, if needed.
- If the allocation is to more than 15 persons/entities, we recommend submitting a CD or disc. Please call (804) 786-2992 for disc format.
- For a donation made on or before December 31, 2006, complete Section I (if applicable) and II.
- For a donation made on or after January 1, 2007, complete Sections I (if applicable), II and III (if applicable).

| Section I - Pass-Through Entity Information | | | |
|---|-------------------------------|---|--|
| For a Pass-Through Entity, Name | FEIN | Phone Number | |
| For a pass-through entity, do you have a tax matters representative? <input type="checkbox"/> No <input type="checkbox"/> Yes (If Yes, Enter Name) | Representative's Phone Number | Original Credit Transaction Number (For Office Use Only) LP | |

| Section II - Credit Holder Information | | | | |
|--|------------------|--------------|--|-----------|
| Credit Holder Information | | | | Amount |
| 1. | Name | SSN/FEIN | | 00 |
| | Street Address | Entity Type | | |
| | City, State, ZIP | Phone Number | | |
| 2. | Name | SSN/FEIN | | 00 |
| | Street Address | Entity Type | | |
| | City, State, ZIP | Phone Number | | |
| 3. | Name | SSN/FEIN | | 00 |
| | Street Address | Entity Type | | |
| | City, State, ZIP | Phone Number | | |
| 4. | Name | SSN/FEIN | | 00 |
| | Street Address | Entity Type | | |
| | City, State, ZIP | Phone Number | | |
| 5. | Name | SSN/FEIN | | 00 |
| | Street Address | Entity Type | | |
| | City, State, ZIP | Phone Number | | |
| Total Credit Amount Allocated | | | | 00 |

| Section III - Calculation of Fee (For donations made on or after January 1, 2007.) | | |
|--|---|--------------------|
| 1. | Maximum fee that can be charged on this donation for allocations by the donor(s). <small>(Not Applicable for Donations Recorded on or after July 1, 2010)</small> | \$10,000 00 |
| 2. | Enter the amount of fee that has been previously paid by this donor(s) on this donation. | |
| 3. | Line 1 minus Line 2. (If the amount is zero or less, stop here. No additional fee is due.) <small>(Not Applicable for Donations Recorded on or after July 1, 2010)</small> | |
| 4. | Enter the total credit amount allocated, less any gifts. | |
| 5. | Multiply the total credit amount allocated by 5% (Line 4 times .05). | |
| 6. | Fee Due - For donations recorded from January 1, 2007 - June 30, 2010, enter the amount from Line 5 or Line 3, whichever is less; for donations recorded on or after July 1, 2010, enter the amount for Line 5. | |

How to Complete LPC-1, Schedule A. (Allocation Schedule and Calculation of Fee)

Lines not mentioned below are self-explanatory.

This Schedule should be used by multiple donors (including married spouses when both are on the deed) and pass-through entities to report the details of their credit allocations.

A pass-through entity may appoint a Tax Matters Representative whom the Tax Commissioner may consult with regarding credits that have been allocated or transferred. This representative may be a general partner, a member, a manager or a shareholder. If a Tax Matters Representative has been appointed, check the "yes" box and enter the representative's name and phone number in the appropriate boxes.

- If you are a pass-through entity (such as an S Corporation), provide the information requested for each person or pass through entity receiving a credit. A separate Schedule A must be completed for each additional entity receiving a credit.
- Attach additional pages, if needed.
- For a donation made on or before December 31, 2006, complete Section I (if applicable) and II.
- For a donation made on or after January 1, 2007, complete Sections I (if applicable), II and III. Please note multiple owners who are listed separately on the deed do not owe a fee.
- If the allocation is to more than 15 persons/entities, we recommend submitting a CD or disc. Please call 804-786-2992 for the required spreadsheet format.

Section III – Calculation of Fee

General Information

This section must be completed for an allocation made by a pass-through of a credit which derived from a donation made on or after January 1, 2007.

A 2% fee of the appraised value of the donated interest shall be imposed on all transfers arising from the sale of credits and on all pass-through allocations. Because the statute relates the 2% fee to the donated interest and the credit is 40% of that figure, when calculating the fee at the credit level it equates to 5% of the credit

amount being transferred or allocated. An example of the calculation is as follows:

Scenario Presented in Va. Code § 58.1-513

\$10,000 (donated interest being transferred/allocated)
x .02 (fee multiplier imposed by statute)
\$200 (fee dollars collected by statute)

Calculation of Credit Value

\$10,000 (donated interest being transferred/allocated)
x .40 (credit multiplier imposed by statute)
\$4,000 (credit value of the donated interest)

If \$200 is the amount of fee collected at the donated interest level, what percentage of the credit value generates the same fee amount?

Same scenario based on credit value

\$4,000 (x) = \$200
x = \$200/\$4000
x = .05 or 5%

For donations recorded from January 1, 2007 - June 30, 2010, the fee is capped at \$10,000 per credit holder per donation. **For donations recorded on or after July 1, 2010, the cap has been removed.** If you are transferring/allocating credits derived from more than one donation, you must file a separate LPC-1, Schedule A for the credits derived from each donation and your fees may exceed \$10,000. This fee does not apply to transfers/allocations made in 2007 and beyond on donations made prior to January 1, 2007.

TAX recommends that you pay with a certified check or money order. Personal checks may delay the processing of your transfers/allocations.