

**Form LPC-1  
Schedule A**

**Application for a Land Preservation Credit  
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. Credit will be granted to one taxpayer per line per SSN / FEIN.
- 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. Enclose 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 (Enter name here)	Representative's Phone Number	Original Credit Transaction Number (For Office Use Only) <b>LP</b>

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

Section III - Calculation of Fee (For donations made on or after January 1, 2007.)		
If you are a pass-through entity that is exempt from the 2% transfer fee, check this box. See instructions for additional information. <input type="checkbox"/>		
<b>1.</b>	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>	<b>\$10,000 00</b>
<b>2.</b>	Enter the amount of fee that has been previously paid by this donor(s) on this donation.	
<b>3.</b>	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>	
<b>4.</b>	Enter the total credit amount allocated, less any gifts.	
<b>5.</b>	Multiply the total credit amount allocated by 5% (Line 4 times .05).	
<b>6.</b>	<b>Fee Due</b> - 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.	

# Instructions for 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 LPC-1 Schedule A must be completed for each additional entity receiving a credit.
- Enclose 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 is imposed on all transfers arising from the sale of credits and on pass-through allocations. A pass-through entity is exempt from the 2% fee to the extent credits are distributed to nonresident owners and the pass-through entity applies such credits to the pass-through entity withholding tax. Credits distributed to resident owners and nonresident owners who are not subject to the pass-through entity withholding tax remain subject to the transfer fee. 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:

<b>Scenario Presented in Va. Code § 58.1-513</b>	$  \begin{array}{r}  \$10,000 \text{ (donated interest being transferred/allocated)} \\  \times \quad .02 \text{ (fee multiplier imposed by statute)} \\  \hline  \$200 \text{ (fee dollars collected by statute)}  \end{array}  $
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<b>Calculation of Credit Value</b>	$  \begin{array}{r}  \$10,000 \text{ (donated interest being transferred/allocated)} \\  \times \quad .40 \text{ (credit multiplier imposed by statute)} \\  \hline  \$4,000 \text{ (credit value of the donated interest)}  \end{array}  $
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*If \$200 is the amount of fee collected at the donated interest level, what percentage of the credit value generates the same fee amount?*

<b>Same Scenario Based on Credit Value</b>	$  \begin{array}{r}  \$4,000(x) = \$200 \\  \\  x = \$200 / \$4,000 \\  \\  x = .05 \text{ or } 5\%  \end{array}  $
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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.

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