

“(B) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ means an educational institution in any State which—

“(i) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate,

“(ii) is legally authorized within such State to provide a program of education beyond high school,

“(iii) provides an educational program for which it awards a bachelor’s or higher degree, provides a program which is acceptable for full credit toward such a degree, or offers a program of training to prepare students for gainful employment in a recognized health profession, and

“(iv) is a public or other nonprofit institution.

“(3) SERVICE AS FEDERAL EMPLOYEE.—For purposes of this subsection, service in a health manpower shortage area shall be treated as service as a Federal employee.”

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to taxable years beginning after December 31, 1980.

26 USC 117 note.

(b) NATIONAL RESEARCH SERVICE AWARDS.—Paragraph (2) of section 161(b) of the Revenue Act of 1978 (relating to national research service awards) is amended by striking out “1980” and inserting in lieu thereof “1981”.

SEC. 6. REVISING AND MAKING PERMANENT RULES ALLOWING DEDUCTION FOR CONTRIBUTIONS FOR CONSERVATION PURPOSES.

26 USC 170.

(a) IN GENERAL.—Paragraph (3) of section 170(f) of the Internal Revenue Code of 1954 (relating to denial of deduction in case of certain contributions of partial interests in property) is amended by striking out subparagraphs (B) and (C) thereof and inserting in lieu thereof the following new subparagraph:

“(B) EXCEPTIONS.—Subparagraph (A) shall not apply to—

“(i) a contribution of a remainder interest in a personal residence or farm,

“(ii) a contribution of an undivided portion of the taxpayer’s entire interest in property, and

“(iii) a qualified conservation contribution.”

(b) QUALIFIED CONSERVATION CONTRIBUTION DEFINED.—Section 170 of such Code is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

Supra.

“(h) QUALIFIED CONSERVATION CONTRIBUTION.—

“(1) IN GENERAL.—For purposes of subsection (f)(3)(B)(iii), the term ‘qualified conservation contribution’ means a contribution—

“(A) of a qualified real property interest,

“(B) to a qualified organization,

“(C) exclusively for conservation purposes.

“(2) QUALIFIED REAL PROPERTY INTEREST.—For purposes of this subsection, the term ‘qualified real property interest’ means any of the following interests in real property:

“(A) the entire interest of the donor other than a qualified mineral interest,

“(B) a remainder interest, and

“(C) a restriction (granted in perpetuity) on the use which may be made of the real property.

“(3) **QUALIFIED ORGANIZATION.**—For purposes of paragraph (1), the term ‘qualified organization’ means an organization which—

“(A) is described in clause (v) or (vi) of subsection (b)(1)(A),  
or

“(B) is described in section 501(c)(3) and—

26 USC 501.

“(i) meets the requirements of section 509(a)(2), or

26 USC 509.

“(ii) meets the requirements of section 509(a)(3) and is controlled by an organization described in subparagraph (A) or in clause (i) of this subparagraph.

“(4) **CONSERVATION PURPOSE DEFINED.**—

“(A) **IN GENERAL.**—For purposes of this subsection, the term ‘conservation purpose’ means—

“(i) the preservation of land areas for outdoor recreation by, or the education of, the general public,

“(ii) the protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem,

“(iii) the preservation of open space (including farmland and forest land) where such preservation is—

“(I) for the scenic enjoyment of the general public,

or

“(II) pursuant to a clearly delineated Federal, State, or local governmental conservation policy, and will yield a significant public benefit, or

“(iv) the preservation of an historically important land area or a certified historic structure.

“(B) **CERTIFIED HISTORIC STRUCTURE.**—For purposes of subparagraph (A)(iv), the term ‘certified historic structure’ means any building, structure, or land area which—

“(i) is listed in the National Register, or

“(ii) is located in a registered historic district (as defined in section 191(d)(2)) and is certified by the Secretary of the Interior to the Secretary as being of historic significance to the district.

26 USC 191.

A building, structure, or land area satisfies the preceding sentence if it satisfies such sentence either at the time of the transfer or on the due date (including extensions) for filing the transferor’s return under this chapter for the taxable year in which the transfer is made.

“(5) **EXCLUSIVELY FOR CONSERVATION PURPOSES.**—For purposes of this subsection—

“(A) **CONSERVATION PURPOSE MUST BE PROTECTED.**—A contribution shall not be treated as exclusively for conservation purposes unless the conservation purpose is protected in perpetuity.

“(B) **NO SURFACE MINING PERMITTED.**—In the case of a contribution of any interest where there is a retention of a qualified mineral interest, subparagraph (A) shall not be treated as met if at any time there may be extraction or removal of minerals by any surface mining method.

“(6) **QUALIFIED MINERAL INTEREST.**—For purposes of this subsection, the term ‘qualified mineral interest’ means—

“(A) subsurface oil, gas, or other minerals, and

“(B) the right to access to such minerals.”

(c) **DEDUCTION FOR CONTRIBUTIONS FOR CONSERVATION PURPOSES MADE PERMANENT.**—Section 309(b)(1) of the Tax Reduction and Simplification Act of 1977 and section 2124(e)(4) of the Tax Reform Act of 1976 are each amended by striking out “, and before June 14, 1981”.

26 USC 170 note.

26 USC 170 note.

26 USC 170 note.

**(d) EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply to transfers made after the date of the enactment of this Act in taxable years ending after such date.

Approved December 17, 1980.

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**LEGISLATIVE HISTORY:**

HOUSE REPORT No. 96-1108 (Comm. on Ways and Means).

SENATE REPORT No. 96-1007 (Comm. on Finance).

CONGRESSIONAL RECORD, Vol. 126 (1980):

July 21, considered and passed House.

Oct. 2, considered and passed Senate, amended.

Dec. 1, House agreed to Senate amendments.