

**(A) Amount.**--Paragraph (1) shall apply to amounts paid within the taxable year only to the extent that such amounts do not exceed \$50 multiplied by the number of full calendar months during the taxable year which fall within the period described in paragraph (1). For purposes of the preceding sentence, if 15 or more days of a calendar month fall within such period such month shall be considered as a full calendar month.

**(B) Compensation or reimbursement.**--Paragraph (1) shall not apply to any amount paid by the taxpayer within the taxable year if the taxpayer receives any money or other property as compensation or reimbursement for maintaining the individual in his household during the period described in paragraph (1).

**(3) Relative defined.**--For purposes of paragraph (1), the term “relative of the taxpayer” means an individual who, with respect to the taxpayer, bears any of the relationships described in [subparagraphs \(A\) through \(G\) of section 152\(d\)\(2\)](#).

**(4) No other amount allowed as deduction.**--No deduction shall be allowed under subsection (a) for any amount paid by a taxpayer to maintain an individual as a member of his household under a program described in paragraph (1)(A) except as provided in this subsection.

**(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--

(i) meets the requirements of [section 509\(a\)\(2\)](#), or

(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) Special rules with respect to buildings in registered historic districts.--**In the case of any contribution of a qualified real property interest which is a restriction with respect to the exterior of a building described in subparagraph (C)(ii), such contribution shall not be considered to be exclusively for conservation purposes unless--

(i) such interest--

(I) includes a restriction which preserves the entire exterior of the building (including the front, sides, rear, and height of the building), and

(II) prohibits any change in the exterior of the building which is inconsistent with the historical character of such exterior,

**(ii)** the donor and donee enter into a written agreement certifying, under penalty of perjury, that the donee--

**(I)** is a qualified organization (as defined in paragraph (3)) with a purpose of environmental protection, land conservation, open space preservation, or historic preservation, and

**(II)** has the resources to manage and enforce the restriction and a commitment to do so, and

**(iii)** in the case of any contribution made in a taxable year beginning after the date of the enactment of this subparagraph, the taxpayer includes with the taxpayer's return for the taxable year of the contribution--

**(I)** a qualified appraisal (within the meaning of subsection (f)(11)(E)) of the qualified property interest,

**(II)** photographs of the entire exterior of the building, and

**(III)** a description of all restrictions on the development of the building.

**(C) Certified historic structure.**--For purposes of subparagraph (A)(iv), the term "certified historic structure" means--

**(i)** any building, structure, or land area which is listed in the National Register, or

**(ii)** any building which is located in a registered historic district (as defined in [section 47\(c\)\(3\)\(B\)](#)) and is certified by the Secretary of the Interior to the Secretary as being of historic significance to the district.

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.**--

**(i) In general.**--Except as provided in clause (ii), 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.

**(ii) Special rule.**--With respect to any contribution of property in which the ownership of the surface estate and mineral interests has been and remains separated, subparagraph (A) shall be treated as met if the probability of surface mining occurring on such property is so remote as to be negligible.

**(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.

**(7) Limitation on deduction for qualified conservation contributions made by pass-through entities.**--

**(A) In general.**--A contribution by a partnership (whether directly or as a distributive share of a contribution of another partnership) shall not be treated as a qualified conservation contribution for purposes of this section if the amount of such contribution exceeds 2.5 times the sum of each partner's relevant basis in such partnership.

**(B) Relevant basis.**--For purposes of this paragraph--

**(i) In general.**--The term “relevant basis” means, with respect to any partner, the portion of such partner's modified basis in the partnership which is allocable (under rules similar to the rules of [section 755](#)) to the portion of the real property with respect to which the contribution described in subparagraph (A) is made.

**(ii) Modified basis.**--The term “modified basis” means, with respect to any partner, such partner's adjusted basis in the partnership as determined--

**(I)** immediately before the contribution described in subparagraph (A),

**(II)** without regard to [section 752](#), and

**(III)** by the partnership after taking into account the adjustments described in subclauses (I) and (II) and such other adjustments as the Secretary may provide.

**(C) Exception for contributions outside 3-year holding period.**--Subparagraph (A) shall not apply to any contribution which is made at least 3 years after the latest of--

**(i)** the last date on which the partnership that made such contribution acquired any portion of the real property with respect to which such contribution is made,

(ii) the last date on which any partner in the partnership that made such contribution acquired any interest in such partnership, and

(iii) if the interest in the partnership that made such contribution is held through 1 or more partnerships--

(I) the last date on which any such partnership acquired any interest in any other such partnership, and

(II) the last date on which any partner in any such partnership acquired any interest in such partnership.

**(D) Exception for family partnerships.--**

(i) **In general.**--Subparagraph (A) shall not apply with respect to any contribution made by any partnership if substantially all of the partnership interests in such partnership are held, directly or indirectly, by an individual and members of the family of such individual.

(ii) **Members of the family.**--For purposes of this subparagraph, the term “members of the family” means, with respect to any individual--

(I) the spouse of such individual, and

(II) any individual who bears a relationship to such individual which is described in [subparagraphs \(A\) through \(G\) of section 152\(d\)\(2\)](#).

**(E) Exception for contributions to preserve certified historic structures.**--Subparagraph (A) shall not apply to any qualified conservation contribution the conservation purpose of which is the preservation of any building which is a certified historic structure (as defined in paragraph (4)(C)).

**(F) Application to other pass-through entities.**--Except as may be otherwise provided by the Secretary, the rules of this paragraph shall apply to S corporations and other pass-through entities in the same manner as such rules apply to partnerships.

**(G) Regulations.**--The Secretary shall prescribe such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations or other guidance--

(i) to require reporting, including reporting related to tiered partnerships and the modified basis of partners, and

(ii) to prevent the avoidance of the purposes of this paragraph.