



Giving a gift of grain to the Community Foundation



**Did you know the Community Foundation accepts gifts of grain?** Donating a gift of grain to the Community Foundation is a simple way to make a lasting difference. Plus, there are significant tax benefits for donating grain directly to a charitable organization rather than selling the grain and donating the proceeds.

#### How you benefit

By giving grain directly to the Community Foundation, you avoid including the sale of the grain in your farm income. Although a charitable income tax deduction is generally not available to you, the avoidance of declaring it as income is a significant benefit to cash basis sole proprietor farmers. You deduct the cost of growing the crops which typically results in saving self-employment tax, federal income tax, and state income tax. Another great benefit is that it doesn't matter if the donation is made in the year of production or a later year. The only requirement is that control of the grain is given to the Community Foundation.

#### How to give

1. Let the Community Foundation know which elevator you will be taking the grain to. The gift should be from unsold crop inventory with no sale commitment made prior to the gift.
2. Deliver the grain to the elevator in the Community Foundation's name.
3. Send a settlement report to the Community Foundation. This *must* show the Community Foundation as the owner of the grain.
4. We will provide you with a donation receipt for your gift. Remember it is non-deductible on your taxes. You don't have to declare this amount of grain as income to your farming operation.
5. After the grain is donated, the elevator will sell it. The scale ticket will name the Community Foundation as the seller of the grain and will receive the sale proceeds.

#### What your gift can do

The value of the grain you donate can be used in a number of ways in our community! You can:

- create a fund in the name of your family or business
- create a fund for a specific organization
- create a scholarship

If not otherwise specified, your gift will go to the Agriculture Fund at the Community Foundation, which supports local agricultural causes and youth involvement in agriculture.

Have questions or need more information? Contact our philanthropic services team at 231.924.5350.

