



## Community Foundation Grain Donation Program

CONNECTING PEOPLE WHO CARE WITH CAUSES THAT MATTER SINCE 1984.

### Growing the Future with Your Community Foundation

The Community Foundation of Grant County has deep roots in our community. We were established in 1984 as an organization that could pool our resources for the benefit of improving the local quality of life. We serve as a means through which those of us who live or earn a livelihood in Grant County could build, over time, substantial endowment funds for Grant County through contributions large and small.

Your crops are your livelihood. You prepare, you plant, you nurture, and they grow. The Community Foundation works in an equivalent way; you make a gift, those gifts grow through investments, and then the endowment income is harvested into grants that benefit the most deserving causes in our community. The endowment itself is never spent. Only the income is used to award grants annually.

We invite you to grow the future of Grant County with us through the gift of grain. And because your gift is endowed, it will benefit our community forever. Generations from now will still reap the benefit of your gift.

### Why Donate Grain?

Donating a gift of grain to the Community Foundation is an easy way to make a lasting impact. Your gift will be directed to the **Grant County Farmers' Fund**. This fund will forever award grants to the most deserving causes in Grant County. Or ask us about starting your own fund to benefit causes you care about most in our community.

### How You Benefit

If you are a cash basis farmer, by giving grain 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.** You deduct the cost of growing the crops which typically results in saving self-employment tax, federal income tax, state and local income tax. We will send you a gift receipt that will document your gift for yield reporting purposes.

### How a Community Foundation Works

#### Giving, Growing, Grantmaking Model



Donors make gifts to the Foundation.



Gifts are invested; the value grows.



Endowment income distributes grants to charitable causes in the community.



## How it Works

As each farmer's situation is different, you should consult your professional advisor for legal and tax advice on how a gift of grain may apply to your circumstances. Circumstances include, but are not limited to whether you (a) file as a cash basis taxpayer; (b) claim the standard deduction; and (c) lease on a cash share or crop share basis. This information should not be construed as providing you with legal or tax advice.

**NOTE:** *If you deliver the grain to the elevator, sell it and order the proceeds sent to the Community Foundation, you will not be eligible for the tax benefits described. The gift must be made before the sale of grain to receive tax benefits.*

1. **Alert** the Community Foundation of your intended gift by completing the Notice from the Producer form.
2. **Transfer** the grain as a gift to the Community Foundation before the sale by having the elevator send us a warehouse storage receipt. (Elevators with Community Foundation accounts are listed below.)
3. **Receipt must** show the Community Foundation as the owner of the grain. We will provide you with a gift receipt for your yield reporting purposes.
4. **After** the gift, the Community Foundation is responsible for storing and/or transporting the grain and for the risk of loss. You cannot control where or when the Community Foundation sells the grain. The Community Foundation will sell the grain and receive the sale proceeds. Any sales invoice will name the Community Foundation as the seller of the grain.

## An example of income reduction comparing the sale of grain to a charitable gift of ordinary income property (grain):

| Income                    | Without Charitable Gift | With Gift of Ordinary Income Property (Grain) |
|---------------------------|-------------------------|---|
| Other income from farming | \$35,000                | \$35,000                                      |
| Income from grain sale    | \$15,000                | \$0   |
| Total Income*             | \$50,000                | \$35,000                                      |

*\*You pay employment, federal income, & state income tax based on adjusted gross income (less typical exemptions, deductions, etc.).*

**Note:** *Crops produced for sale in a farming operation are considered "ordinary income property." The deduction for a gift of ordinary income property to a charitable organization is limited to the lesser of fair market value or cost basis. Typically, the cost basis has already been deducted from income as the cost of producing the crops; thereby commonly the cost basis is zero, making the gift, in effect, non-tax deductible.*



**Community Foundation Grain Donation Program**  
CONNECTING PEOPLE WHO CARE WITH CAUSES THAT MATTER SINCE 1984.  
Contributions to the **Grant County Farmers Fund** will forever  
impact worthy causes in Grant County, Indiana.

Notice from the Producer

**Producer Information** (Please print):

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

\_\_\_ I verify that this grain does not have a lien against it.

\_\_\_ I verify that this grain does have a lien against it; a lien waiver is attached.

**Facility Information** (Please print):

Facility Name: \_\_\_\_\_

Facility Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

I agree to make a gift to the Grant County Farmers Fund of (please mark one):

\_\_\_ A one-time donation of \$ \_\_\_\_\_ or the equivalent to \_\_\_\_\_ bushels from the proceed of my grain settlements will be remitted to CFGC

\_\_\_ The proceeds of the sale of \_\_\_\_\_ bushels of (circle one) corn/soybeans will be remitted to CFGC

\_\_\_ A gift of your choice \_\_\_\_\_

I hereby request to be included in the Community Foundation of Grant County's Grain Donation Program. I understand this form represents my written request to participate and to have a voluntary charitable donation deducted from the proceeds of my grain sales.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Send a copy of this document to:  
Community Foundation of Grant County  
505 West Third Street  
Marion, Indiana 46952

If you have any questions, contact:  
Shelly Jones, Development Manager  
Shelly@GiveToGrant.org  
765-662-0065