HOW IT WORKS

1. Farmer completes the Community Foundation Gift of Grain Notification Form and delivers the commodity to the elevator or storage bin.

2. Farmer requests the elevator to transfer X bushels of grain to the account of the Community Foundation.

3. The Community Foundation receives the warehouse receipt and assumes all subsequent ownership costs.

4. The Community Foundation sells the grain, collects the proceeds, and deposits funds into the designated charitable fund.

5. The farmer avoids recognizing the sale as income and may still deduct production costs, resulting in tax savings.

CONTACT INFO

(785) 587-8995

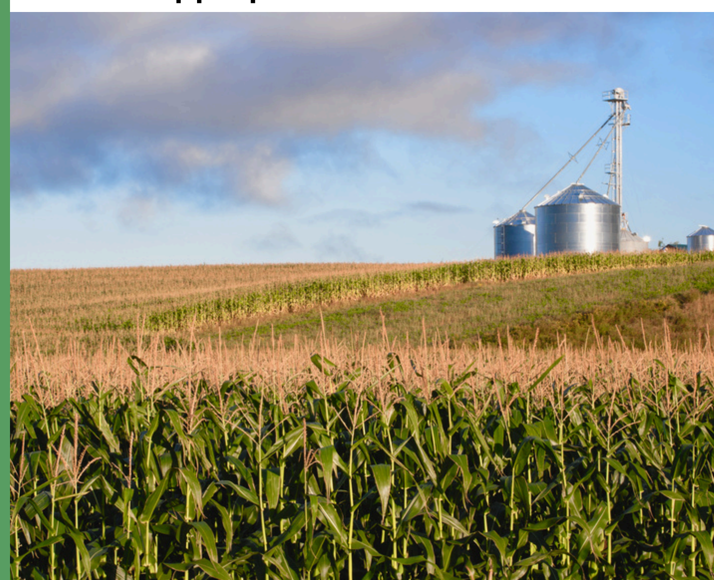
foundation@mcfks.org

www.mcfks.org

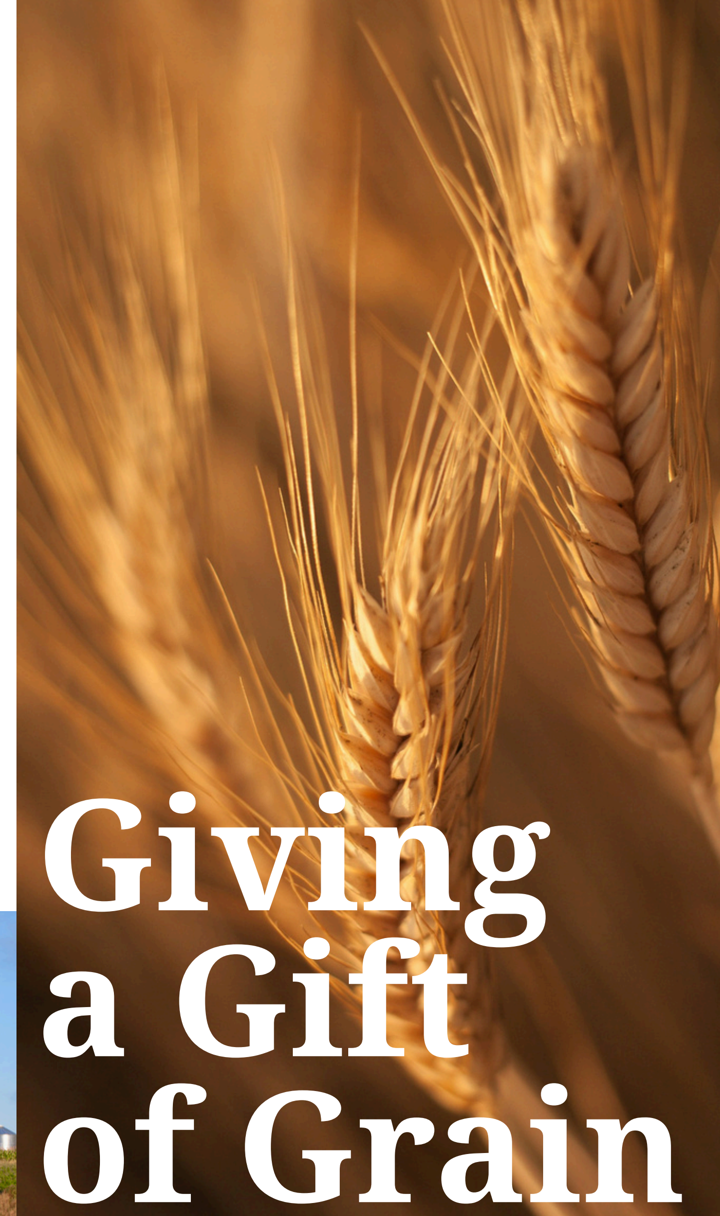
PO Box 1127, Manhattan,
KS 66505-1127

GMCF

If you would like to donate a gift of grain, your local elevator will provide the appropriate donation form!



The Greater Manhattan Community Foundation is a non-profit 501(c) (3) organization — EIN #48-1215574, incorporated in the State of Kansas.



Giving a Gift of Grain

Giving Today...
Growing Tomorrow

Disclaimer: The content included in this brochure is for informational purposes only and does not constitute legal or tax advice. Please consult your professional advisor for legal and tax advice specific to your situation.

WHY DONATE GRAIN?

A charitable gift of grain is a tax-wise way to support the causes you care about.

Example
A $10,000 grain gift from a farmer with $35,000 in other income:

	Without Gift	With Gift
Other income from farming	$35,000	$35,000
Income from grain sale	$10,000	$0
Total taxable income	**$45,000**	**$35,000**

This can result in significant savings on federal, state, and self-employment taxes.

Note: Crops produced for sale are typically classified as "ordinary income property" with no tax deduction. However, donating grain avoids recognizing the sale as income.

GUIDELINES FOR A GIFT OF GRAIN

The gift must be from unsold crop inventory with no prior sale commitment.

It must be a physical transfer of grain—not a warehouse receipt or cash equivalent.

The Community Foundation must receive a properly executed warehouse receipt in its name.

Farmers may not provide instructions on timing or pricing of sale.

After transfer, the Foundation assumes all risk, including storage, transportation, and price fluctuation.

The original sales invoice must list the Foundation as the seller.

Crop-share landlords cannot make grain donations.

Prior-year grain is often preferable for tax planning.

Tax benefits vary depending on whether the farm uses cash or accrual accounting.

ADDITIONAL CONSIDERATIONS

- Grain stored on-farm can be donated. A notarized transfer letter is required instead of a warehouse receipt.
- Corporate farms may not be eligible for the same tax benefits, consult your tax advisor.
- Grain donations do not count toward government payment limitation caps.
- Gifts of grain may impact deductibility of current-year production costs, prior-year grain is often the better option.
- Always consult with your professional advisor to determine how a gift of grain fits into your unique situation.