



at a glance GIFTS OF GRAIN



WHAT IS A GIFT OF GRAIN?

“Honor the Lord with your substance and with the first fruits of all your produce.” –Proverbs 3:9

If you farm, your crops are your life and the livelihood for which you work so hard. You nurture them from the time you plant until the time you harvest. Sharing your gifts of grain to support the ELCA ministries you care about most – your congregation included – is a meaningful way you can share your harvest with others.

Here's how it works:

If you are a producer of a marketable commodity, you can make a gift with your unsold inventory. Whether the commodity gift is corn, wheat, almonds, avocados or cattle, the ELCA Foundation is prepared to partner with you, the producer, to make the gift happen.

Upon receiving intent of this gift, the ELCA Foundation will establish an account at the appropriate elevator or processor and work to receive and sell the inventory. We'll distribute the gift according to your wishes, benefiting the ELCA ministries or congregation(s) of your choice. A gift of grain can be used as an outright gift, to establish or grow a donor advised fund, or to establish or grow a named endowment fund with the ELCA Foundation.

WHAT YOU NEED TO DO:



Hold or harvest your unsold crop inventory.



Inform the ELCA Foundation of your gift intention.



Coordinate with the ELCA Foundation on your delivery of grain/commodity to the elevator or processor. The ELCA Foundation will handle the sale and distribute your gift to ministry.

WHY SHOULD I MAKE A GIFT OF GRAIN?

WHAT ARE THE BENEFITS?

Using stored commodities or unsold inventory to make a current gift, you can maximize the benefit to ministry while reducing taxable income. No income is recorded on a gift of grain, but production costs remain as part of the farmer's overall deductible expenses.

The chart below gives a simple example of how a gift of grain can have greater impact than a cash donation.

	DONATING CASH	DONATING GRAIN
Grain Value	\$10,000	\$10,000
Income to Farmer	\$10,000	\$0
Federal Income Tax (28%)*	\$2,800	\$0
State Income Tax (7%)*	\$700	\$0
Self-employment Tax (15.3%)	\$1,530	\$0
TOTAL DONATION	\$4,970	\$10,000

RULES TO KEEP IN MIND:

- At least 70% of the distribution of your gift must benefit ELCA-related ministries, congregations and/or organizations.
- The ELCA Foundation will provide you with a donation receipt for the gift. The gift is not considered tax-deductible, but the donor will not have to declare this amount as income to their farming operation.
- The donor cannot control when or where the ELCA Foundation sells the commodity, and the ELCA Foundation will receive all sale proceeds.

WANT TO LEARN MORE?

Find your regional gift planner at ELCA.org/foundation or call 800-638-3522.

The examples and information provided are for illustrative and educational purposes only and should not be considered tax or legal advice. Please consult with your tax or legal adviser about proceeding with your gift plan.

*The 28% federal income tax rate and 7% state income tax rate are used for illustrative purposes only. Individual federal income tax and state income tax rates may vary.