

# From a Farmer's Heart



## DONATE FROM YOUR HARVEST



**Now could be a great time to turn bushels of grain, corn, or soybeans into a charitable contribution. Depending on the circumstances, farmers who make a gift could potentially save on taxes and deduct the cost of production.**

### **Wondering how it works?**

The farmer notifies the elevator that the harvest commodity being delivered or stored is to be given to the Archdiocese. The elevator will contact the Archdiocese of Kansas City in Kansas, who will then sell the grain at market rate to the elevator. The elevator will send a check to the Archdiocese. The farmer who donated the commodity will receive a gift letter and acknowledgement from the Office of Stewardship and Development in the Archdiocese of Kansas City in Kansas.

### **Here are some helpful tips:**

1. Commodities can be donated from the current or previous year's harvest.
2. The gift should be from unsold crop inventory with no prior sale commitment.
3. The gift is farm commodities, not warehouse receipts, which could be considered a cash equivalent. The Archdiocese must be able to demonstrate "control and dominion" over the gift.
4. The farmer cannot offer any guidance in the transfer agreement as to the retention or sale of the gifted commodity.
5. For documentation, the Archdiocese needs a properly executed warehouse receipt in the name of the Archdiocese or a notarized letter of transfer for crops stored on the farm. The original sales invoice needs to list the Archdiocese as the seller.
6. The Archdiocese, after the transfer, will assume all costs associated with the storage and sale of the grain.
7. To make a gift, the donor needs to be a farm operator or owner. Crop share landlords are not eligible, as shares of crop are considered rental income that must be included in reportable income by the landlord.
8. The donor should use a professional advisor. This "Donate from Your Harvest" flyer is not intended to be legal or tax advice. Tax law changes frequently. All taxpayers should consult with a tax advisor for specific information.

**MAKE YOUR HARVEST COUNT!**

### **Here is how to learn more about it:**

To learn more about making a gift of a commodity of grain, corn, or soybeans, please visit [ARCHKCK.ORG/GIFTSOFGRAIN](http://ARCHKCK.ORG/GIFTSOFGRAIN) or call 913-647-0325, Office of Stewardship and Development.