

# Gifts of Grain

## to benefit Practical Farmers of Iowa

**Thank you for considering a gift of grain to Practical Farmers of Iowa!**

Please read this page carefully. If you would like to proceed with the gift, fill out the form on the second page and return it to the address provided.

Gifting grain directly to Practical Farmers, rather than selling the grain and making a gift from the proceeds, may provide you with more significant tax savings. Contributing grain lets you avoid the sale of the commodity as income, while the production costs may still be deductible. Reducing taxable income may provide advantages such as minimizing or eliminating your self-employment tax and reducing your adjusted gross income.



### **You must be a farm operator to make a gift of grain.**

There is no recognized income, but the charitable deduction is limited to basis, which is ordinarily zero. Typically, your cost of raising and growing the grain can be deducted as a farm business expense.



### **Be sure the gift is grain commodities, and not a grain storage receipt.**

A grain storage receipt could be considered a cash equivalent. Practical Farmers must be able to demonstrate “control and dominion” over the gifted property. As a donor, you cannot offer Practical Farmers any guidance on when to sell the commodity.



### **Be sure to accomplish Farm Service Agency certification before making a gift of grain.**

This applies if you annually certify or document bushels of production with FSA through your participation in various agricultural subsidy programs.

*If you do not certify annually with FSA, please disregard this step.*

# Gifts of Grain Notification Form

In support of Practical Farmers of Iowa, I/we wish to make a gift by donating bushels of grain.

## Donor Information

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

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

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

## Pledge Information

I (we) pledge a total of \_\_\_\_\_ bushels of \_\_\_\_\_  
number Type of grain (e.g. corn, soybeans)

Name of grain elevator you will be using: \_\_\_\_\_

Elevator phone number: \_\_\_\_\_ Expected delivery date of grain: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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*Please mail or email this form to:*

**Terri Speirs, Practical Farmers of Iowa**  
**414 S 17<sup>th</sup> St. | Suite 107 | Ames, IA 50010**  
**[terri.speirs@practicalfarmers.org](mailto:terri.speirs@practicalfarmers.org)**

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*Practical Farmers of Iowa is a 501c3 tax-exempt public charity.*

*Please remember: The gift (transfer of ownership) must occur before the grain commodity is sold.  
You cannot sell the grain commodity or otherwise provide instructions of the sale of the grain.*

*Practical Farmers does not offer tax or legal advice.  
Please consult your tax profession for advice before making a gift of grain.*