

## Benefits of Gifting Agricultural Commodities

Farmers and ranchers can save **significant taxes** by donating commodities such as corn to The Salvation Army rather than donating the cash after the sale.

When an agricultural producer transfers legal ownership of grain to The Salvation Army before it is sold, the producer avoids the taxable income from that sale. The producer is still able to deduct the entire cost of the production of the commodity on Schedule F.

Depending on the producer's own circumstances, savings may be obtained on federal and state income tax and self-employment tax. A nonmaterially participating landlord does not have the same tax advantages as a farm operator or materially participating landlord. A producer should consult with his or her tax advisor to determine whether a contribution of commodities is appropriate for them.

***Most importantly:***

*1. You must provide written documentation to both The Salvation Army and the grain elevator of the transfer of title of the commodity.*

*2. The Salvation Army must be in control of the sale of the commodity.*



THE SALVATION ARMY  
DEPARTMENT OF PLANNED GIVING

10755 Burt Street  
Omaha, NE 68114  
Phone: (402) 898-7700  
Fax: (402) 898-5853

**[www.SalArmyGiving.org](http://www.SalArmyGiving.org)**

For assistance with a gift of commodities contact:

**Linda Garbina**  
Director of Planned Giving  
Metropolitan Omaha  
(402) 898-7700 ext 121

**John Langdon**  
Planned Giving Associate  
Western & Central Iowa  
(402) 898-7700 ext 136

**Greg Krumbach**  
Planned Giving Associate  
South Dakota  
(402) 898-7700 ext 133

**Diane K. Moore**  
Planned Giving Associate  
Nebraska (excluding Omaha)  
(402) 898-7700 ext 143

This information is intended solely to inform you of a potential gift planning opportunity. The Salvation Army is not a tax advisor. You may not rely on the information contained herein for the purpose of avoiding tax penalties and you should consult your tax advisor to determine whether the information presented here is appropriate to your tax situation.

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# Gifts of Grain



DOING THE  
MOST GOOD®

Letter from the Producer Regarding a Gift of Grain

To:  
The Salvation Army  
Planned Giving Department  
10755 Burt Street  
Omaha, NE 68114  
Fax (402) 898-5853

I/We, \_\_\_\_\_, hereby gift \_\_\_\_\_ (# of bushels)  
of \_\_\_\_\_ (type of grain)  
to The Salvation Army, to be used for \_\_\_\_\_ (gift designation).

☐ A check mark in this box verifies this grain does not have a lien against it; or if the grain does have a lien against it, a lien waiver from the lender is attached.

\_\_\_\_\_  
Signature(s)

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

\_\_\_\_\_  
Printed name(s)

\_\_\_\_\_  
Mailing address

I will transport the gifted grain to the following facility on behalf of The Salvation Army:

\_\_\_\_\_  
Name of grain elevator, feed lot or other facility

\_\_\_\_\_  
Contact person & Phone number

Fax this to: (402) 898-5853 or mail to:  
The Salvation Army, Planned Giving Department, 10755 Burt Street, Omaha, NE 68114

Steps to Make a Charitable Gift of Grain

1. Contact The Salvation Army – Planned Giving Department to advise us that a gift is about to be made.
  2. Complete the **Letter from the Producer** form notifying us that you are making a gift of grain. Indicate quantity and type of grain being contributed and the affiliated fund (and related purpose) to which your contribution is directed.
  3. When you deliver the grain to the local elevator, please inform the grain elevator to issue a storage receipt in the name of The Salvation Army. The storage receipt is evidence that ownership of the grain was transferred from the farmer to The Salvation Army. Then send the storage receipt to The Salvation Army.
  4. Instruct the grain elevator that it must send the contract to sell the grain to The Salvation Army for signature. The contract can be mailed to The Salvation Army or faxed to the attention of your Planned Giving Associate at (402) 898-5853.
- If the elevator does not use written contracts for grain sales, ask The Salvation Army to provide you with a completed **Instructions to Grain Elevator for Gift of Grain** form. Since The Salvation Army now owns the grain following your gift, you may not instruct the elevator to sell it.