GIVING BACK WITH GIFTS OF GRAIN AND LIVESTOCK

By Jim Gustafson, Director of Advancement & Gift Planning

Nebraska Community Foundation

When it comes to charitable giving, think beyond cash. There are lots of out-of-the-box, tax-wise ways to give back to the hometown you love that don’t involve writing a check.

For instance, Nebraska farmers and ranchers in communities like Diller, Shickley, Chambers, Stuart, Stratton, and Atkinson are saving significantly on their taxes by contributing commodities like corn or cattle to their local community foundation fund. Byron, a community of just 83, built a million-dollar community center thanks in large part to generous gifts of grain from community members.

The Verdigre Community Foundation Fund, an affiliated fund of Nebraska Community Foundation, is ready and well-equipped to accept gifts of grain and livestock to benefit the Verdigre community’s unrestricted endowment. The endowment acts like a savings account for the future of Verdigre — investment earnings provide a steady stream of revenue to fund projects and programs today, 50 years from now, and forever.

Instead of selling the commodity, the producer transfers ownership of the livestock or grain directly to Nebraska Community Foundation for the benefit of the Verdigre Community Foundation Fund. The producer can then claim all of their production costs as deductible expenses for income tax purposes. When a producer transfers legal ownership to a charity, like the Verdigre Community Foundation Fund, before it is sold, the producer will not have taxable income from a sale, thus minimizing taxes. Tax savings may be realized on federal income tax, state income tax, and self-employment tax, depending on the producer’s specific circumstances.

It is important to first check with your professional advisor to determine whether a contribution of grain or livestock is appropriate for your tax situation. It is also important that you notify Nebraska Community Foundation in advance of making your gift of commodities to the Verdigre Community Foundation Fund, as there are specific (but simple) procedures that must be followed.

You can visit Nebraska Community Foundation’s Gift Planning website – [www.ncfgift.org](http://www.ncfgift.org) – for details on the benefits and process of making a charitable gift of grain or livestock, as well as other out-of-the-box giving methods beyond cash. Nebraska Community Foundation is also always available to point you in the right direction at 402.323.7330 or info@nebcommfound.org.