



One Connection. Unlimited Possibilities.

# Gifts of Grain

*Gifting grain is a great way for farmers to accomplish significant tax savings, while charitably benefiting their community. But, it is a type of gift that requires a specific course of action to ensure that the anticipated tax benefits are received.*

## **Steps to Make a Charitable Gift of Grain:**

Following these specific steps will help ensure that you receive the intended tax benefits from a gift of grain. Failure to follow these steps may result in the IRS treating the transaction as a sale by the farmer resulting in a contribution of cash, rather than as a contribution of grain. As a donor, you should follow these steps to ensure that ownership of the gifted grain is transferred prior to sale and you receive recognition for your gift:

1. Contact one of the following individuals at the Southwest Initiative Foundation (SWIF) to advise us that a gift is about to be made.

Diana Anderson, VP/COO at 320-484-9106 or [dianaa@swifoundation.org](mailto:dianaa@swifoundation.org)

Margie Nelsen, Controller at 320-484-9110 or [margien@swifoundation.org](mailto:margien@swifoundation.org)
2. Complete the "Letter from the Producer Regarding a Gift of Grain" form notifying us that you are making a gift of grain. Indicate the quantity and type of grain being contributed and the purpose to which your contribution is directed. Send the letter to Southwest Initiative Foundation, 15 3<sup>rd</sup> Avenue NW, Hutchinson, MN 55350 FAX: 320-587-3838
3. When you deliver the gifted grain to the local elevator, tell the grain elevator to issue a storage receipt in the name of the Southwest Initiative Foundation. The storage receipt is the evidence that ownership of the grain was transferred from the farmer to SWIF. Send the storage receipt to SWIF at the address in Step 2.
4. Instruct the grain elevator that it must send the contract to sell the grain to the Southwest Initiative Foundation for signature. The contract can be mailed to the address in Step 2 or faxed to the attention of Diana Anderson at 320-587-3838. If the elevator does not use written contracts for grain sales, ask SWIF to provide you with a completed "Instructions to Grain Elevator for Gift of Grain" form. Because SWIF owns the grain following your gift, you may not instruct the elevator to sell it.
5. Remind the grain elevator to issue the check for the sale of the grain to the Southwest Initiative Foundation and send it to the address in Step 2.