



Lutheran Planned Generosity  
of South Dakota

*your life can make a difference*

## GIFTS OF GRAIN

### What is a gift of grain?

*"Honor the Lord with your substance and with the first fruits of all your produce." —Proverbs 3:9*

If you farm, your crops are your life and the livelihood for which you work so hard. You nurture them from the time you plant until the time you harvest. Sharing your gifts of grain to support the ELCA ministries you care about most — your congregation included — is a meaningful way you can share your harvest with others.

### Here's how it works:

If you are a producer of a marketable commodity, you can make a gift with your unsold inventory. Whether the commodity gift is corn, wheat, soybeans or cattle, Lutheran Planned Generosity of South Dakota (LPGSD) is prepared to partner with you, the producer, to make the gift happen.

Upon receiving notice of your intent to make a gift, LPGSD will establish an account at the appropriate elevator or sale barn in order to receive and sell the inventory. We'll distribute the sale proceeds according to your wishes, benefiting the ministries or congregation(s) of your choice. A gift of grain can be used as an outright gift, to establish or grow a donor advised fund, or to establish or grow a named endowment fund with the ELCA Foundation.

### What you need to do:



Harvest or hold  
your unsold crop  
inventory.



Inform LPGSD of  
your gift intention.



Coordinate with LPGSD on  
your delivery of grain/  
commodity to the elevator  
or sale barn. LPGSD will  
handle the sale and  
distribute your gift to ministry.



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## Why should I make a gift of grain?

What are the benefits?

Using stored commodities or unsold inventory to make a current gift, you can maximize the benefit to ministry while reducing taxable income. No income is recorded on a gift of grain, but production costs remain as part of the farmer's overall deductible expenses.

The chart below gives a simple example of how a gift of grain can have greater impact than a cash donation.

	<b>DONATING CASH</b>	<b>DONATING GRAIN</b>
Grain Value	\$5,000	\$5,000
Income to Farmer	\$5,000	\$0
Federal Income Tax (28%)*	\$1,400	\$0
State Income Tax (7%)*	\$350	\$0
Self-employment Tax (15.3%)	\$765	\$0
<b>TOTAL DONATION</b>	<b>\$2,485</b>	<b>\$5,000</b>

## Rules to keep in mind:

- You will be provided with a donation receipt for the gift. The gift is not considered tax-deductible, but the donor will not have to declare this amount as income to their farming operation.
- The donor cannot control when or where LPGSD sells the commodity, and LPGSD will receive all sale proceeds for the benefit of your designated ministries.

## Want to learn more?

**Contact Kathy McHenry, Executive Director of Lutheran Planned Generosity at [kmchenry@sdsynod.org](mailto:kmchenry@sdsynod.org) or 605-274-5030, or visit our website at [www.lpgsd.org](http://www.lpgsd.org).**

Partner ministries of Lutheran Planned Generosity of South Dakota include the South Dakota Synod; ELCA Foundation; Augustana University; Luther Seminary; Lutheran Social Services of South Dakota; Lutherans Outdoors in South Dakota; Bethel Home and Foundation, Madison; Bethesda of Aberdeen; St. Dismas Prison Ministries; Lutheran Campus Ministries; Prison Congregations of America; and Heartland Ephphatha Deaf Ministries.

The examples and information provided are for illustrative and educational purposes only and should not be considered tax or legal advice. Please consult with your tax or legal adviser about proceeding with your gift plan.

\*The 28% federal income tax rate and 7% state income tax rate are used for illustrative purposes only. Individual federal income tax and state income tax rates may vary (no state income taxes assessed in South Dakota).