



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.



Lutheran Planned Generosity
of South Dakota

your life can make a difference

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.

	DONATING CASH	DONATING GRAIN
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
TOTAL DONATION	\$2,485	\$5,000

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 or 605-274-5030, or visit our website at 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).