

PRIDE IN THE PAST. VISION FOR THE FUTURE!

ALPHA GAMMA RHO • ALPHA TAU CHAPTER • WESTERN ILLINOIS

Donate Grain - Save \$\$ - Support Alpha Tau!

Many producers have an opportunity to donate to Alpha Gamma Rho and achieve significant tax savings by making gifts of grain or other crops.

\$\$ Tax Advantages are 2-Fold:

- Cash method farm proprietors reduce their federal and state income tax, and self-employment taxes for those proprietors who are below the self-employment tax maximum, because they never receive income from the sale of the crops.
- The expenses of growing the donated crops are still included in farm expenses and are deductible on Schedule F, provided the crops are donated in a year following the year of production.

Tax Guidelines for Donating Crops:

- The crops need to be given directly to Alpha Tau Chapter – AGR Alumni Board of Control. A warehouse receipt showing Alpha Tau Chapter as the owner should be executed. If the crops are to be stored on the farm, a notarized letter of transfer can take the place of a warehouse receipt.
- Alpha Tau Chapter will sell the crops, with the sales invoice showing the fraternity as the seller.
- There cannot be an obligation to sell the crops prior to the donation and the proprietor should not advise Alpha Tau Chapter as to when to sell.
- Following the donation, Alpha Tau Chapter will assume costs of storage, transportation and marketing, and bear any risk of loss.
- The producer cannot sell the crops and remit the proceeds to Alpha Tau Chapter, or the producer will be required to include the sale proceeds in income and the tax benefits of the donation will be lost.
- It is important to note that a donation of crops to Alpha Tau Chapter-AGR is not a charitable donation, producers are not entitled to a charitable deduction on their income tax return for their contribution

Not a Grain Farmer? Gifts of livestock may also qualify for these tax savings. Please call Brian Yung.

5 Simple Steps to Complete Your Gift:

1. Inform Brian Yung, Alpha Tau Treasurer (309-337-0590), that you intend to make a commodity gift and he will assist you with completing a commodity gift form.
2. Indicate on the form the quantity and type of commodity being donated and return the form to Brian by email or US Mail. Email: YungBrianL@JohnDeere.com US MAIL: 2941 40th Avenue, Alexis, IL 61412
3. Deliver the grain to your local elevator or co-op.
4. Request that a storage receipt be issued in the name of Alpha Tau Chapter – AGR Alumni Board of Control - and that the contract to sell the grain be sent to Brian for signature.
5. The check for the sale of the grain should be issued directly to Alpha Tau Chapter – AGR Alumni Board of Control.

*Please discuss the tax implications with your tax adviser and call Brian if you have any questions.

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NOTICE OF COMMODITY GIFT TRANSFER

TO BE DONATED TO: Alpha Tau Chapter—AGR Alumni Board of Control
2942 40th Avenue, Alexis, IL 61412

DONOR NAME: _____

DONOR ADDRESS: _____

AMOUNT OF CROPS TO BE DONATED: _____

DESCRIPTION: _____

SIGNATURE: _____

DATE: _____

NAME OF GRAIN ELEVATOR: _____

ELEVATOR CONTACT INFORMATION: _____

INSTRUCTIONS: Please instruct grain elevator management to contact Brian Yung at 309-337-0590 to receive disposition instructions. Additionally, please email or mail a copy of this form with the proper documentation to:
Brian Yung, Alpha Tau Chapter Treasurer
YungBrianL@JohnDeere.com or
2941 40th Avenue, Alexis, IL 61412