

GIVING COMMODITIES

A Tax-wise Charitable Opportunity



Give directly from your harvest to stretch the value of your donation! By giving commodities — such as grains, soybeans, corn, fruits, nuts and even livestock — to Lafayette Christian School, you can achieve greater Kingdom impact and experience personal tax savings.

How it Works

To reap these tax benefits, you must only give away commodities that you own free and clear.



Deliver the commodities directly to the ministry's designated agent.



Ensure any receipts or other documentation for the sale or delivery of the commodities be given to the charity, not to you.

To avoid disqualifications, do NOT...

- Give commodities that are pre-sold to a co-op or subject to a lien.
- Donate commodities that have been sold as part of a larger crop, where only a portion of the proceeds are going to charity.
- Participate in the storage or any other activity related to the ongoing management of the commodities after your gift is made.



Benefits of Giving Commodities

- **Reduce your taxable income.** Unlike gifts of cash, when you transfer ownership of a commodity before it is sold, you can eliminate the amount of the gift from your taxable income — even if you take the standard deduction. Cash basis, active producers may reduce their federal income, state income and self-employment taxes.
- **Deduct your production costs.** You may also claim a business deduction for the production costs of the commodity (such as fertilizer or irrigation), regardless of whether those costs occurred in the current year or prior years.



Gifts that Pay Income For Life

In certain circumstances, commodities are also excellent assets to fund gifts that will pay you income for life, including charitable gift annuities or charitable remainder trusts.

Contact Barnabas Foundation prior to making this type of gift, as this involves more complex calculations and income tax reporting.

Tax law makes gifts of commodities more advantageous than cash gifts for many commodity producers.

LEARN MORE

Discover if giving commodities is the right tax-wise giving option for you. Contact Lafayette Christian School today by calling 765-447-3052 or email info@lafayettechristian.org.

Giving Commodities through Barnabas Foundation

Lafayette Christian School partners with Barnabas Foundation to streamline your giving of commodities and other non-cash assets.

How it Works



Notify Barnabas Foundation of your intention to make a commodity gift by completing a Barnabas Foundation Commodity Gift Notice.



Deliver the commodity to the sales agent, or notify the sales agent if the commodity is in storage.



Notify the sales agent of the gift, and ask them to issue the warehouse/ storage receipt in the name of Barnabas Foundation.



Barnabas Foundation will then direct the sale of the commodity to the sales agent, send the funds to Lafayette Christian School and send you a letter acknowledging receipt of your gift.