



TenTalents
FOUNDATION

Gifts Crops

Simplified Giving, Greater Impact

“I’ve been inspired to be more generous [and efficient because of the] **tax savings** we’ve had through our crop gifting account [with Ten Talents]. Ten Talents explained how it was **more efficient** to not receive the income from our crop [but to donate it directly]. Less income means less taxes and, [as a result], **we were able to give more to ministries.**”

~ Jason Hornor, *S&J Partnership*

The Power of Crop Giving

The Ten Talents Foundation helps turn your crops into cash, so your generosity goes further.

How it Works:

1. You donate your crop to the Ten Talents Foundation.
2. We sell your crop through your grower/packer.
3. We deposit the net proceeds into a Giving Fund.
4. You advise how to direct that money into local ministries and charitable causes you are passionate about.
5. You enjoy significant tax advantages while leveraging your “Talents” for greater impact.

How You Benefit:

- Gifted crops are not recognized as income on your Schedule F.
- Production expenses related to the donated crop may be deductible on your Schedule F in the year paid.
- Federal, state and self-employment taxes are not assessed on the value of the donated crop.
- Gifting crops can have greater tax advantages than post-sale cash donations.
- The savings make your gift go further locally and around the world.

Start the Process Today

Crop Giving is a great way to experience the power of generosity and leverage your “Talents” for greater impact in the ministries and organizations you care about most. Contact us today and we will:

1. Personally walk you through the simple gifting process of donating a crop.
2. Assist in transferring the title of the identified crop to the Ten Talents Foundation, work with your field representative and packer, and assume responsibility for the gifted crop through to the final sale.
3. Set up a Giving Fund (Donor Advised Fund) or identify an existing fund at Ten Talents Foundation to accept the net proceeds from the sale of your crop gift.

To make a crop gift, contact us today at (559) 387-5534 or info@tentalentsfoundation.org.

Frequently Asked Questions

What is crop gifting?

Crop gifting is a way to reduce tax liabilities for philanthropically-inclined growers. Many cash-basis growers can see significant tax savings by donating crops to the Ten Talents Foundation (TTF), instead of selling crops and then writing donation checks.

By making a crop donation, cash-basis growers avoid having to include the sale of the crop gift as income on their Schedule F. This reduces your taxable income, which results in savings of self-employment taxes, federal income taxes, and state income taxes.

Tax savings result from removing the income before recognition rather than from taking a charitable deduction after recognizing the income and the associated taxes. While each scenario varies and should be evaluated by a tax professional, crop gifts may result in significant tax savings when compared to cash gifts.

What about production costs?

The expenses associated with the production of the donated crops are deductible on Schedule F in the year paid.

What if arrangements have already been made to sell my crop?

The gift must be from unsold crop inventory with no prior sale commitment. After a title transfer to TTF occurs, TTF assumes responsibility for processing and marketing the crop. The tax code requires that the grower relinquish full "dominion and control" over the crop.

What happens to the proceeds after TTF sells the crop?

Proceeds can be allocated to a grower's existing Giving Fund (Donor Advised Fund) at TTF, or used to establish a new fund, which distributes to charitable organizations over time as advised by the grower.

What is a Donor Advised Fund (DAF)?

A DAF is a TTF fund used to manage your charitable donations. You direct the investment of the fund, receive quarterly statements and periodically recommend grants from your fund to the charities you specify.

Are there other options besides a Donor Advised Fund?

TTF offers a range of fund types to accommodate donor interests. We will work with you to ensure you establish the fund most suited to your needs. Additionally, TTF can serve as a charitable intermediary and make grants directly to nonprofits as directed by the grower provided the grants are not used to satisfy existing financial obligations such as an enforceable pledge.

Are there fees specific to crop gifts?

Yes, we will launch into the fee structure in a couple of years. Currently, we are more excited about building long-term financial partners who are driven to see hundreds of other families join our efforts in furthering God's work in the valley and world. In the future TTF will assess a one-time fee of 1.0% per crop gift in addition to TTF's regular fee schedule of 0.5% to 2.0%, annually, depending on the balance and end-use of the fund.

