

CROP GIFTING

For cash basis growers, crop gifting offers a way to make a lasting difference in their communities.



Crop Gifting Guidelines:

- Inform the Central Valley Community Foundation (CVCF) of your intended gift, and gain consent for gift.
- The gift must be from unsold crop inventory with no prior sale committment.
- After transfer, CVCF assumes responsibility for transportation, processing, storage and marketing, to final sale.
- The grower must give up “dominion and control” of the crop at time of transfer.
- The grower sets up a Donor Advised Fund (DAF) at CVCF, governed by agreement, or designates an agreed upon fund at CVCF.
- After CVCF sells the crop, the net proceeds will be deposited into the Donor Advised Fund/other agreed upon Fund.
- Grants can then be requested to support Community Benefit Organizations of the grower’s choosing, approved by the CVCF board.
- Grants are monitored to ensure compliance with grant request.

Crop Gifting Benefits:

- The value of the donated crop is not included on the Schedule F.
- The expenses related to the production of the crop stay on the Schedule F in the year paid.
- Federal, State, and self-employment tax are not paid on the value of the donated crop.
- There is no charitable deduction for a donated crop (Schedule A) because no income is recognized on the donation.

Disclaimer: The content included in this document is for informational purposes only and does not constitute legal or tax advice. Please consult your professional advisor for legal and tax advice specific to your situation.