

Farmers can support ministries, save taxes

by Pastor Mark Anderson
Assistant to the Bishop

“I am sending you out like sheep among wolves. Therefore be as shrewd as snakes and as innocent as doves.” — Matthew 10:16 (NIV)

By now all the corn and beans have been planted and we can watch them grow into, we hope, a good commodity sold at a fair price. A healthy profit on the farm means the farmer earns a good income, there is some money to support the ministry of the church and enough left over to pay the taxes. However, what if there were a way to give a little more to the church and a little less in taxes?

What?

There are tax advantages for farmers and ranchers who make gifts of grain or livestock to a ministry like their congregation, the Synod, the colleges of the church or a seminary. When an agricultural producer transfers legal ownership of the commodity to a charity before it is sold, the producer will not have taxable income from a sale, thus minimizing taxes. Tax savings may be realized on federal income tax, state income tax and self-employment tax, depending on the producer’s specific circumstances.

How?

Step 1: Notify the recipient ministry that you are going to make a gift of a commodity to ensure the proper steps are taken to make your gift, and that your gift is spent according to your wishes.

Spring Preparation for Disaster Response

Task 5: Assessing the Vulnerabilities of the Congregation

Tornado and natural disaster season is upon us! The month of May began with Governor Terry Branstad declaring a State of Disaster Emergency in Calhoun County. Since then we saw several severe storms that have impacted towns.

If your congregation was impacted last month, how did you respond? If your congregation’s town is impacted next month, how will you respond? If you are shrugging your shoulders in dismay, that is a vulnerability to ministry — those areas where we as leaders and as congregations are at risk. This is the challenge that Task #5 in the *Congregational Disaster Preparedness Plan (CDPG)* is calling us to identify, those areas that hinder our ministry potential.

Another way we can identify the vulnerable areas may be to look at the assets we identified earlier. What assets require upkeep or maintenance? When does your congregation’s process work great, and when does it break down? What are your insurance coverage

levels? What measures are in place to prevent accidents on your property? What do you need to do in order to mitigate risk or liability?

These are all different aspects of how your congregation is vulnerable. It can be overwhelming! So start with your purpose as a congregation by asking, “How does your congregation balance a reasoned approach to issues of liability and risk while being faithful to God’s call to ministry? Second, ask, “How do you make decisions about which vulnerabilities are more critical than others? And, “How do you prioritize the work of addressing vulnerabilities?”

Ministry sometimes requires risk. Action sometimes requires accepting a level of vulnerability, but that doesn’t mean we should ignore these issues. Considering the areas where we are most vulnerable will help to make our ministries that much stronger, and the benefit will result in more people being helped at a time that they need it the most.

(Portions taken from CDPG 25-26.)

— Pastor Ron Mathews
Disaster Response Network

Step 2: Deliver the grain to your elevator or co-op and tell them you wish to transfer ownership of a portion of the grain, like one wagon, to the recipient ministry. Request a grain storage receipt showing the ministry as the owner. The elevator should not sell the grain or issue a check until instructed by the ministry.

Step 3: Notify the recipient when the transfer is made, including where the grain is being stored. The ministry will order the sale of the grain. Following the sale, the ministry should acknowledge your gift with a receipt.

Want to learn more? Contact Pastor Mark Anderson, assistant to the Bishop, 319-352-1414.