

Frequently Asked Questions about Keep Iowa Growing

I have a farm tenant farming the land now. Can he continue to lease the land even after the gift is made?

Yes. While the Community Foundation will execute any lease agreements, the donor can recommend specific tenants to continue renting the land. Of course, any tenants need to comply with farming best practices and an annual lease agreement will need to be in place.

If I currently use a property management company, can they continue to manage the land?

Yes. While the Community Foundation will execute any management agreement, the donor can recommend a specific property management company.

If I own 500 acres of farmland, can I choose to give only 250 acres through Keep Iowa Growing?

Yes. The landowner can determine how many acres they wish to give through Keep Iowa Growing.

If I give a gift of farmland and retain a life interest in the farm (continue benefiting from the farm income during my lifetime), can I still receive Endow Iowa Tax Credits?

No. A gift with a retained life interest is not eligible for the Endow Iowa Tax Credit. Only current, completed gifts are eligible for the Endow Iowa Tax Credit.

However, there are still tax benefits to a gift with a retained life interest. The donor will receive a tax deduction on the charitable portion of the gift. Your tax advisor can assist you in determining the deductibility of the gift.

If I give land but retain a life interest to continuing farming, who is responsible for upkeep, repairs, tiling, etc?

If the gift has a retained life interest, the donor is responsible for all upkeep, maintenance and insurance during their lifetime.

How long will the Community Foundation agree to keep my land in production?

Keep Iowa Growing was designed to be flexible and meet the needs and desires of each individual landowner.

Some landowners will request the property is farmed through Keep Iowa Growing for a term of years (eg. 10 years) or until their death. Upon completion of the agreed upon term, the farmland is then sold and the revenue is put into an endowed fund benefiting the landowner's charity(ies) of choice.

Other landowners will request the property is farmed through Keep Iowa Growing *forever*. The Community Foundation intends to follow the donor's wishes; however, we also recognize no one is able to predict the future and there are no guarantees about what *forever* holds. If there comes a time when it becomes impossible or impractical for the Community Foundation to continue managing the farmland through Keep Iowa Growing, and it must be sold, the Community Foundation will put the revenue into an endowed fund benefiting the donor's charity(ies) of choice.

I am interested in conservation, are there ways to incorporate conservation into the gift?

Yes, we can discuss all of your interests during our meetings and develop a plan to address a conservation plan for the land.

What about the farm equipment, livestock and/or grain on the land?

Keep Iowa Growing is designed to keep Iowa farmland in production while benefiting a landowner's favorite charities. Farmland (and any attached farm buildings) is the asset accepted into the Keep Iowa Growing program; however, the Community Foundation routinely accepts other types of assets, including equipment, livestock, grain, etc. These assets may be gift options and will be assessed and accepted on a case-by-case basis.

Who can be the beneficiaries of the income from the farmland?

The donor can name charitable organizations, such as nonprofit organizations, schools, churches, and community foundations as beneficiaries of the farm revenue.

What type of tax benefits are provided through Keep Iowa Growing?

Landowners receive a tax deduction for the charitable portion of the gift and capital gains taxes can be avoided or reduced. The property is also removed from the possibility of estate taxes. The gift may also be eligible for Endow Iowa Tax Credits. Landowners benefit from advantageous tax benefits while maintaining control over the land they love beyond their lifetime.

What are the fees associated with a gift of farmland?

There is a fee for each gift of farmland administered through Keep Iowa Growing. This fee is based on the type of gift and the work required to facilitate the gift and implement the agreement with the landowner. The administrative fee will be outlined for the donor prior to the completed gift. A financial projection showing the expected revenue, fees and charitable contributions from the gift can also be prepared prior to the completed gift.

Will the land stay on the county property tax roll?

Yes. The land will stay on the property tax rolls which allows the county to maintain its tax base.

Can I give land that still has some debt against the property?

No real estate accepted by the Community Foundation may be subject to debt.

Can I alter my charities of choice at a later date if I change my mind?

It depends on the fund type established by the gift. If the donor establishes a donor advised fund or field of interest fund, they are able to name the charities at any point during their lifetime. The timing of the contributions can also be determined by the donor.

If a designated fund is established, the donor names the charities when the fund is established and then those charities benefit from the income forever, and cannot be changed by the donor. The Community Foundation team will walk you through the variety of fund options to design a customized approach to meet your charitable goals for the gift of farmland.

Is there a minimum number of acres that I can donate through Keep Iowa Growing?

Yes. The value of the land should be \$250,000 or more.

*For more information about Keep Iowa Growing contact
our team of charitable giving experts at 515-883-2626.*