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March 02, 2016

## **GOLDEN BELT COMMUNITY FOUNDATION ESTABLISHES FARMLAND GIVING PROGRAM**

GREAT BEND, Kan. – Golden Belt Community Foundation is excited to announce their new farmland giving program. “Your Land. Your Legacy.” was created to give donors greater flexibility and options when considering a gift of farmland, including the option to request that the foundation keep the land in production to support the donor’s favorite charities or causes.

Over the past ten years the Golden Belt Community Foundation has been approached several times about accepting a gift of farmland.

Potential donors always wanted to know one thing – what is the foundation going to do with the land once it is gifted? Until now, foundation policy stated that the land would be sold.

For many farmers and potential donors, learning that their land would be sold is not what they wanted to hear. “We knew there had to be a better way to work together,” stated Christy Tustin, Golden Belt Community Foundation Executive Director, “and so we started looking at other community foundations and their programs.”

The foundation also sought advice from Robin Fabricius, a local estate planning attorney at Watkins, Calcara, Chtd.

“My experience in working with farmers is that they have become very attached to their farm real estate,” said Fabricius. “A lot of farmers also are charitably inclined, although they are not excited about leaving their farm real estate to a charity because of their fear that the charity will immediately liquidate it into cash.”

Modeling after similar programs across the country, the foundation Board of Directors voted to establish a farmland giving program. The foundation also recently established GBCF Holdings, LLC to allow the foundation to accept and retain ownership of real estate gifts. Gifts to the LLC will be treated as gifts to the foundation, and receive the same tax benefits allowed by

current law. These assets will serve to further diversify the foundation's investment portfolio with the income from the land being used to support the donor's favorite charities.

"I was encouraged when the Foundation came up with an idea that would allow them to own and manage farm real estate so that they can honor the farmers' wishes," said Fabricius.

"The concept is fairly simple – the foundation would accept, retain, and manage the farm real estate. From the income, property taxes and any other expenses would be paid with the remaining income being used to support one or more charitable organization or cause – whatever was important to the donor," Tustin said.

According to the US Department of Agriculture 2012 Census of Agriculture, there is nearly two million acres of farmland in Barton, Pawnee, Rush, and Stafford counties with the average age of the farm operator being 58 to 61 years in the Golden Belt area. By 2020 an estimated \$1.2 billion will be transferred from one generation to the next. "This transfer of wealth presents an incredible opportunity – both for potential donors and for charitable organizations," said Tustin.

Over the past several years, farm real estate has appreciated greatly, including farmland in central Kansas. By gifting real estate, farmers and landowners stand to receive a tax deduction for their charitable gift, as allowable by law. Additionally, it is also possible to bypass capital gains taxes and eliminate the possibility of estate taxes.

"There are many ways to structure a farmland gift," Tustin continued, "Including an outright gift during a person's lifetime, a planned gift through a will or trust, or even by a retained life estate."

Additionally, donors have the option to request that the current tenant continue to farm the land. This flexibility helps maintain those relationships and family legacies that may have been established decades ago.

Tustin goes on to say, "It is important to the foundation to honor our donor's wishes. If requested, gifts of farmland will be held for charitable purposes so long as it continues to be feasible and produce income that supports the donor's charitable wishes."

For more information about the "Your Land. Your Legacy. Farmland Giving Program", please visit [www.goldenbeltcf.org](http://www.goldenbeltcf.org) or contact Christy Tustin at [christy@goldenbeltcf.org](mailto:christy@goldenbeltcf.org) or by calling (620) 792-3000.

### **Golden Belt Community Foundation**

At \$19 million in total assets and more than 157 funds under management, Golden Belt Community Foundation has been connecting people who care to causes that matter since 1996. Golden Belt Community Foundation exists to provide non-profit organizations in central Kansas with a permanent source of support and to serve as a vehicle for charitable giving for donors. GBCF serves the counties of Barton, Pawnee, Rush, and Stafford. For more

information about Golden Belt Community Foundation, call (620) 792-3000 or visit their website at [www.goldenbeltcf.org](http://www.goldenbeltcf.org).

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