



Contact us

The UMF planned giving staff is available to discuss the options with you and your advisor in more detail to help you determine which option might be best for you. In most instances, UMF will sell the farm and use the proceeds to support the college, campus, or program that you designate.

Because each farm gift is unique, the foundation will need to collect and review information about the farm before acceptance. For more information, contact the foundation's planned giving staff or the development officer for the program you wish to benefit.

University of Minnesota Foundation

Planned Giving Staff

612-624-3333 | 800-775-2187

plgiving@umn.edu



UNIVERSITY OF MINNESOTA
FOUNDATION

CROOKSTON • DULUTH • MORRIS • ROCHESTER • TWIN CITIES

This information is provided as an educational service to our donors. It is not legal or tax advice. Please consult your own professional advisors on how any charitable gift may affect your own tax situation. The University of Minnesota Foundation, a 501(c)(3) nonprofit organization, has been charged by the University of Minnesota's Board of Regents to receive and administer gifts on behalf of all University campuses, colleges, and programs.



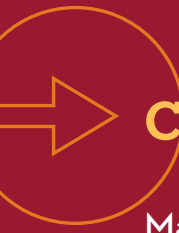
THE FAMILY FARM

**YOUR LAND.
YOUR LEGACY.**



“Agriculture has always provided for my family. Since I can't take the land with me, I want to do as much good as I can. The University of Minnesota provided me with the opportunity to create a scholarship to support dedicated, caring, and hard-working students.”

—Luella Shaw, U donor



Charitable gifts

Many people have strong ties to their farm—especially if it has been a part of their family for generations. Farming is a way of life and a family’s valuable legacy. Whatever your farm means to you, the time may come for you to start thinking about your farm’s future—and your own.

As you begin to make plans, you may find that you and your family no longer wish to manage the farm. Or, you may decide that you would like greater lifetime income for yourself or others than your farm is providing.

Many like you have chosen to make a well-planned charitable gift of their family farm. By giving your farm to the University of Minnesota Foundation (UMF), you can create a lasting charitable legacy for future generations, while also meeting some of your planning goals. Your gift will directly support the U of M campus, college, or program you designate.

There are a number of ways that you can give your farm to the University of Minnesota:

→ Outright gift

If you want to provide an immediate benefit to the University, you can give your farm outright. By giving a farm that has appreciated in value and that you have held for more than one year, you can avoid paying capital gains tax on the appreciation. You can also receive an income tax deduction for the fair market value of the farm (subject to applicable limitations).

An outright gift of a farm must be approved by UMF’s gift acceptance committee, and the farm must have a value of at least \$100,000.

→ Gift in a will or trust

If you want to give your farm to the U but you’d like to maintain control and use of the farm during your life, you can give it to the University through your will or trust. To do this, you can include a provision in your will or trust giving the farm (or the proceeds from the sale of the farm) to UMF using the following sample language:

“I give [description of property] to the University of Minnesota Foundation, Minneapolis, Minnesota, to be used [for the benefit of the college, campus, or program] or [according to my written instructions on file with the foundation].”

The Planned Giving staff at UMF can work with you and your attorney to customize this language to ensure that it accurately reflects your wishes and that the University will be able to use the gift as intended.

→ Transfer deed

Under Minnesota law, you can give your farm to UMF without the need for probate, through a transfer on death deed. When the owner passes away, the farm transfers directly to the foundation. This deed must be filed during the owner’s life in the county where the farm is located and may be revoked at any time during the owner’s life. This option is available in many, but not all, states.

→ Retained life estate

With a retained life estate, you can give your farm to UMF now and maintain control of the farm for as long as you wish—either for life or until you sell the property. You receive an immediate charitable income tax deduction, subject to applicable limitations, based on the current value of the future gift.

For a retained life estate to the University, the farm must have a value of at least \$250,000 and the donor pays all maintenance, taxes, and insurance on the farm during their lifetime. A retained life estate agreement is irrevocable and requires the approval of UMF’s gift acceptance committee.

→ Charitable remainder trust

A charitable remainder trust is an excellent gift option if you wish to support the University while retaining income for yourself or others. Using this type of trust, you can convert your farm into a higher income-producing asset. By transferring the farm to a trust, you receive an immediate income tax deduction and avoid paying upfront capital gains tax when the trust sells the farm. The trust payments begin after the farm is sold and the proceeds have been invested in a diversified portfolio. At the end of the trust term, the remaining assets in the trust go to support the University and other charities you’ve designated.

UMF can serve as trustee if it is irrevocably designated to receive at least 50 percent of the remainder and the value of the gift for the University is at least \$100,000 at the time the trust is funded.

→ Testamentary charitable remainder trust

You can also create a charitable remainder trust through a will. This technique allows you to maintain control of your farm during your lifetime and relieves heirs of the responsibility of managing the farm after you pass away. The trust can provide income to surviving beneficiaries.

Any gift to the University of Minnesota, including farmland, can be designated to any campus, college or program you choose, to be used in a way that would be most meaningful to you.

