

Do you want to invest in the future of Phillips County?

Do you want to do it wisely - giving so it maximizes the gift and minimizes your tax burden?

One way is to donate grain to the Phillips County Fairgrounds Pavilion and Education Center.

# Join the 1,000 Bushel Club

This is not only a great investment in the future of Phillips County, but a prudent way to donate - reducing your tax liability.

## The Challenge

Your gift could be wheat, corn, beans, millet, beets - the commodity you grow. Our challenge would be to give enough bushels to be the equivalent of about \$5,000. Your gift could also be to pledge a number of bushels per year up to 5 years.

### Example:

Cash Method of Accounting  
1,000 BU corn @ \$3.50  
ASSUMING 28% TAX BRACKET

NET SELF EMPLOYMENT TAX SAVINGS: (\$3,500 x 0.9235 x 0.153)	\$ 494.53
DEDUCTION FOR HALF OF SELF-EMPLOYMENT TAX	\$ 247.27
FEDERAL INCOME TAX SAVINGS (\$3,500 - \$247.27 x .28)	\$ 910.76
STATE INCOME TAX SAVINGS (\$3,500 - \$247.27) x .05)	\$ 162.64
<b>INITIAL TAX SAVINGS</b>	<b><u>\$1,567.93</u></b>
PLUS Enterprise Zone In-Kind Credit	\$ 437.50
<b>Total Tax Savings</b>	<b><u>\$2,005.43</u></b>

In this example, you give \$3,500. Your real cost is approximately \$1,494.57.

We also have an example of your savings if you use the accrual method of accounting. Your tax savings is less but it still allows money to go to a local project rather than to federal/state taxes. Call us at 970-854-3778 if you want a copy of that example.

