



Gifts of Real Estate

Real Estate Can Make a Significant Impact

An asset that's been in your family for generations can serve as a gift to future generations of farmers and conservationists. Donating all or part of your property to American Farmland Trust may reduce your capital gains tax, receive an income tax deduction, and secure income for life—and you may even be able to continue to use or live on the property. Most importantly, your generous gift will support AFT's mission of protecting America's farmland.

How It Works

There are various ways to use your real estate to support the mission of American Farmland Trust while furthering your financial goals.

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- **Save on Taxes:** Donate your property outright. AFT will sell it and use the proceeds to support farmland conservation and sustainable agriculture initiatives. You will receive a tax deduction for the property's full value and could avoid paying capital gains tax.
- **Receive Income:** Use your property to fund a gift that provides you with income. You'll qualify for a charitable income tax deduction for part of the property's value and receive income for life (or a term of years) for yourself and a beneficiary. Your gift will help foster farmland conservation and sustainable agriculture.
- **Stay in Your Home:** By creating a retained life estate, you can donate your home and continue to live there (it does not have to be your principal residence). You will receive an immediate tax deduction. At the end of your tenancy, American Farmland Trust will sell the property and use the proceeds to support farmland conservation.
- **Make a Gift in Your Will or Trust:** Maintain control of your property by making a gift through your will or trust. You can change your mind or alter your gift at any time. Ultimately, American Farmland

Trust will use your gift to support farmland conservation and sustainable agriculture for future generations.

- **Undivided Interest Gifts:** An income tax charitable deduction is allowed for a transfer of a partial interest if that interest is an undivided portion of the donor's entire interest in the property. A donor can gift an interest in their property to AFT and then, together as co-owners, sell the property to a third party. The donor and AFT benefit from the sale proceeds to the third-party buyer.

How You Benefit

There are various ways to utilize your real estate to support American Farmland Trust's mission while advancing your financial goals.

- **Income Tax Deduction:** You might be eligible for an income tax deduction for the fair market value of your property, reducing your tax liability.
- **Capital Gains Tax Reduction:** You can potentially reduce or even eliminate capital gains taxes owed on your property, providing you with further financial benefits.
- **Lifetime Income:** You may use your property to establish a gift that will provide you with a lifetime income, ensuring financial security.
- **Ownership Responsibilities:** Your ownership responsibilities are eliminated, freeing you from the tasks and expenses associated with property maintenance.

Can It Work for You?

A gift of real estate may be the right choice for you if:

- You own residential, commercial, or undeveloped real estate that has appreciated in value and that you no longer wish to maintain.
- You are worried about escalating real estate taxes and the capital gains expense associated with selling the property.
- The property can contribute to American Farmland Trust's mission of protecting farmland and promoting sustainable agriculture, or it is readily marketable and poses no environmental concerns.