



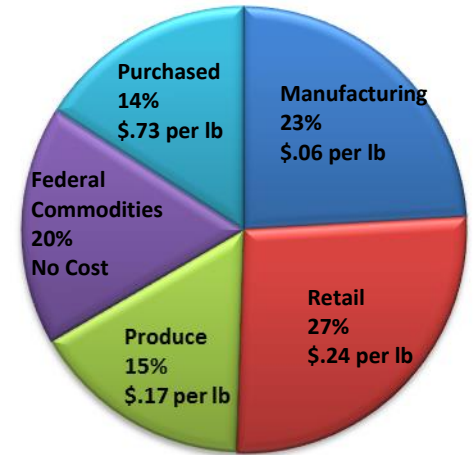
Expanding Federal Tax Incentives for Donated Food

We cannot afford to let nutritious food go to waste.

- Feeding America recovers food donations nationally from numerous sources.
- At the same time, **70 billion lbs** of fit and wholesome food is sent to landfills each year.
- Since 2006, demand for food assistance has increased 46% across the Feeding America network and is expected to remain high as families continue to recover from the recession and underemployment for many continues.
- Food from federal commodities and food industry donations not keeping up with demand.

We need to change the business model from disposing of excess food to donating it.

- Feeding America supports simplifying and expanding the food donation tax deduction
- Goal = Maximize food donated while reducing barriers to donating
- Current tax incentives do not reflect changing food industry dynamics - Increases in business efficiencies mean less food to donate and more donors selling food to the secondary retail market instead of donating all excess food.



FY2013 Feeding America Food Streams

- **3.8 billion pounds of food distributed yearly**

The Senate Needs to Include HR 4719/S 1395 in Tax Extenders Legislation This Fall

- The legislation was passed by the House in July 2014 by a bipartisan vote
- Without these improvements to the food donation tax deduction, millions of pounds of food from large and small businesses and farmers will be lost
- Enactment of the rest of the legislation would spur increased donations at a time of great need.

Please Support Passage of Food Donation Tax Legislation in the Senate (H.R. 4719, S. 1395)

The America Gives Act/Good Samaritan Hunger Relief Tax Incentive Act would help **increase** the amount of food donated to nonprofits by:

1. **Making the extension to non c corporations permanent & allowing** non c corporations to carry forward the deduction for 5 years (same as c corporations).
 - This will greatly increase the ability of small and mid-size businesses to donate food (including farmers, retailers, restaurants and food manufacturers).
2. **Allowing** farmers and other "cash method" accounting taxpayers to consider 25% of the fair market value of the donated food as the cost to produce the food;
3. **Increasing** the 10% cap of allowable charitable contributions to 15% for donated food;
4. **Codifying** an important Tax Court ruling, *Lucky Stores, Inc. v. Commissioner of Internal Revenue*.

For more information on the legislation, please contact Carrie Calvert at ccalvert@feedingamerica.org.