

New York State Tax Credit for Farmers Who Donate Harvest

Starting on January 1, 2018, Farm businesses in New York will be eligible to receive up to a \$5,000 tax credit annually for 25% of their donation measured at fair market value.

Qualified donations can be made by **NYS farm businesses** to **NYS eligible recipients**.

Qualified donations are defined by the federal Good Samaritan Act as “apparently wholesome food.”

In order to be an eligible **farm business**, your federal gross income from farming for the taxable year must be two-thirds of excess federal gross.

Eligible recipients must have 501(c)(3) nonprofit status, this includes food banks, food pantries, soup kitchens and other emergency food sites.

This tax credit will help compensate farm businesses for some of the costs associated with donating fresh, healthy food. Studies show that unhealthy, heavily processed food is more affordable and easier to access than food that is fresh, healthy and locally grown.

2.67 million, or 13.5%, of New Yorkers are food insecure and hungry. Nutrition assistance helps close this meal gap each month, but is often not enough. Economic factors are forcing hungry New Yorkers to rely more heavily on supplemental sources of food. Access to healthy, wholesome foods remain a challenge for these families, which makes a donation from local farms even more important.

How does this work?

Donating product can happen in many ways. Farmers can:

- Donate directly to a food bank, which then delivers product to their network of pantries and soup kitchens.
- Donate directly to a local food pantry or soup kitchen.
- Work with gleaners to harvest leftover crops directly from the fields

When reaching out to a nonprofit to donate, it will be helpful to inquire about the following:

- A receipt, Farm businesses will need to request a receipt from the recipient in order to earn a tax credit at the end of the year.
- Delivery logistics
- Packing requirements
- Specific foods needed
- Ability to coordinate a gleaning (if applicable)

Other Resources

Gleaning is the collection of fresh foods from farms, gardens and other sources. To learn more about gleaning support in your area, contact your local Cornell Cooperative Extension Office. For gleaning in the Hudson Valley, contact Stiles R. Najac @ SRN28@cornell.edu or (845)800-2056.

A food bank near you is one of the best resources to help you coordinate the donation of large amounts of surplus food. In 2016, 13.2 million pounds of local food was donated to New York’s 10 Regional Food Banks who then donated their bounty to over 5,000 emergency food providers across the state.

New York State Association for Reduction, Reuse and Recycling, Inc. has a food locator page listing the emergency meal sites in each region that you can also donate to: <https://www.nysar3.org/page/food-locators-130.html>

Milk is one of the most requested items by food bank clients, yet there is a dire shortage of milk donated. If you are a dairy farmer or processor, call your local food bank today to learn about the opportunity to donate.

Venison is also in high demand in the emergency food system and farmers can make a donation by delivering a deer to a participating processor. Visit <http://www.venisondonation.com/> for more information.

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