

## **Manna letter of support for Farmer tax credit (SB5**

Uploaded by: DeCarlo, Jackie

Position: FAV



## **Support for House Bill 539**

### **Income Tax Credit - Qualified Farms - Food Donation Pilot Program - Expansion and Extension**

February 1, 2021

Position: Support

Dear Members of the Budget and Taxation Committee:

I am writing in support of Senate Bill 539 to extend the income tax credit for qualified farms who donate food to charitable organizations. Manna Food Center is Montgomery County's largest food bank and distribution center. We distributed 3.3 million pounds of food in 2020. Demand for food grew 40% due to COVID-19. We operate as more than just a food bank; we are also a center of distribution and nutrition education. Since our beginning in 1983, we have grown from serving hundreds of people each year to serving 50,510.

Fresh fruits and vegetables are an essential part of a healthy diet, and many Montgomery County residents do not have access to these important foods, which is why Manna created its Farm to Food Bank initiative in 2010. Manna purchases fresh produce from neighboring farms throughout the growing season—125,290 pounds last season. We believe it is critical to support our local farmers as well as our food insecure neighbors.

Another way Manna supports local farmers is through the Farm Food Donation Pilot Program. Manna is a Certified Tax Credit Administrator and through our Community Food Rescue program has received 17,688 lbs. of locally grown food in the past three growing seasons. When farmers have surplus, unsold food they wish to donate, we pick up and redistribute this food through our Community Food Rescue network of 104 non-profit food providers throughout Montgomery County. We see the Farm Food Donation Program as a win, win, win. Not only does this healthy, fresh, delicious produce, dairy and meat go to people who need and appreciate it, but farmers are compensated, and good food does not go to waste.

Manna farm partner, Butler's Orchard has been a proud supporter of The Food Donation Tax Credit since its inception. Farm and Finance Manager, Ben Butler, says of the Tax Credit, "Its extension is critical to maintaining the financial benefit that farms need to offset some of their costs when donating produce. This tax credit literally can be the difference between crops rotting in the fields and ending up on the plates of those who need it."

Manna enthusiastically supports SB539 that extends the Farm Food Donation Program. Farmers statewide will be able to receive tax credit as an added incentive to donate their unsold, surplus food. Many more people throughout Maryland who experience hunger will be able to receive nutritious fresh food. By not wasting food, farmers also conserve precious natural resources. I urge your adoption of SB539.

Sincerely,

Jackie DeCarlo

Chief Executive Officer, Manna Food Center  
jackie@mannafood.org  
(240) 268-2524

## **Support of SB539 - Income Tax Credit – Food Donati**

Uploaded by: Ferguson, Colby

Position: FAV



# Maryland Farm Bureau, Inc.

3358 Davidsonville Road • Davidsonville, MD 21035 • (410) 922-3426

February 3, 2021

To: Senate Budget & Taxation Committee

From: Maryland Farm Bureau, Inc.

**Re: Support of SB 539 - Income Tax Credit – Food Donation Pilot Program – Extension**

On behalf of our member families, I submit this written testimony in support of SB 539, legislation that simply extends the Food Donation Pilot Program Income Tax Credit for two additional years from December 31, 2021 to December 31, 2023.

The pilot program tax credit was enacted in 2016. Program allows a credit of up to \$5,000 against the State income tax; providing that the credit is equal to 50% of the value of the fresh farm products for human consumption (Eligible Food) donation or 75% of the value of donated certified organic produce. Each week, the Secretary of Ag shall establish and publish the categories and value of certified organic produce and eligible food donations. The Secretary of Ag, in consultation with the Comptroller, shall establish a process to certify a person or an organization to act as a tax credit certificate administrator. The total amount of tax credit certificates issued under this program may not exceed \$100,000 for a calendar year.

The original program was only being used by a couple of farmers in Southern Maryland. In 2019 the program was opened to the whole state, which has allowed additional farmers to participate with other food banks instead of only the D.C. food bank.

Coming out of a year where unemployment was at a peak, farmers stepped up during the pandemic to donate food to local food banks. When a farmer does this at his/her own expense, a small tax credit like this program helps offset some of the cost to produce the food that's donated.

**MARYLAND FARM BUREAU SUPPORTS SB 539 AND ENCOURAGES A FAVORABLE REPORT.**

Colby Ferguson  
Director of Government Relations

*For more information contact Colby Ferguson at (240) 578-0396*

# **SENATE - FF Food Donation Tax Credit 2021.pdf**

Uploaded by: Kalm, Shelby

Position: FAV



# Fair Farms<sup>®</sup> Maryland

a campaign for healthy food, land & waterways

## **Senate Bill 539 (Senator Guzzone) Income Tax Credit – Food Donation Pilot Program – Extension**

Position: Support

February 3, 2021

Dear Members of the Budget and Taxation Committee:

I am writing on behalf of Fair Farms in support of Senate Bill 539, sponsored by Senator Guzzone, which extends the Food Donation Pilot Program that was signed into law by Governor Hogan in 2017. The 2017 program was a pilot program that applied to Southern Maryland and Montgomery County. It was expanded statewide in 2019. In 2019 alone, 127,795 pounds of donations were reported. If the program continues, it could continue to give low-income Marylanders greater access to locally-grown, fresh, nutrient-dense food, while supporting our local farming communities during this challenging time.

The Fair Farms campaign of Waterkeepers Chesapeake brings together consumers, farmers, public health professionals, and conservationists to advocate for a food system that is equitable, fair to farmers, invests in homegrown healthy foods, and restores our waterways. We are a growing movement of over 35,000 Marylanders and close to 200 partners across the state. These partners include national organizations like Farm Aid, the National Sustainable Agriculture Coalition, Family Farm Defenders, and National Family Farm Coalition and local groups like the Maryland Organic Food and Farming Association, Arcadia Center for Sustainable Food and Agriculture, and Chesapeake Physicians for Social Responsibility.

Throughout the COVID-19 pandemic we have seen an increase in food insecurity. From March through June of this year, 4 in 10 people visiting food banks were there for the first time.<sup>1</sup> Given this increase in demand for food assistance during a time when public health is our top priority, it's critical that we provide those frequenting food banks and pantries with nutrient-dense food that supports a healthy immune system. At the same time, farmers have had a challenging year. The continuation of a credit like this would be a way of financially valuing our local farming community and acknowledging the essential role they play in keeping our communities fed.

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[https://www.feedingamerica.org/sites/default/files/2020-04/Brief\\_Impact%20of%20Covid%20on%20Food%20Insecurity%204.22%20%28002%29.pdf](https://www.feedingamerica.org/sites/default/files/2020-04/Brief_Impact%20of%20Covid%20on%20Food%20Insecurity%204.22%20%28002%29.pdf)

This bill is a win-win-win (a win for local farmers, a win for reducing hunger in our communities, and a win for public health). For these reasons, we stand strongly behind this bill and urge the Committee to adopt a favorable report of Senate Bill 539.

Sincerely,

Shelby Kalm  
Fair Farms Campaign Manager  
Waterkeepers Chesapeake

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Additional Supporters:

Anna Chaney, *Honey's Harvest Farm*  
Dena Leibman, *Future Harvest*  
Ellen Polishuk, *Plant to Profit*  
Emily Ranson, *Clean Water Action*  
Gabriel Bustos, *Elemental Education*  
JoAnn Coates-Hunter, *Fox Haven Organic Farm & Learning Center*  
Kathy Phillips, *Assateague Coastal Trust*  
Kate Medina, *Charles Koiner Conservancy for Urban Farming*  
Kimberly Eisenreich, *Maryland Local Management Board Association*  
Maria Payan, *Sentinels of Eastern Shore Health*  
Meghan Ochal, *Dicot Farm*  
Melanie Smith-Bell, *Community FARE*  
Ruth Berlin, *Maryland Pesticide Education Network*  
Samuel White, *Leaning Pine Farm*  
Steven Mandel, *The Critical Issues Forum*

# **MDA - SB 539 - Letter of Support.docx.pdf**

Uploaded by: Shirk, Cassie

Position: FAV





# Maryland Department of Agriculture

*Office of the Secretary*

**Larry Hogan**, Governor  
**Boyd K. Rutherford**, Lt. Governor  
**Joseph Bartenfelder**, Secretary  
**Julianne A. Oberg**, Deputy Secretary

The Wayne A. Cawley, Jr. Building  
50 Harry S. Truman Parkway  
Annapolis, Maryland 21401  
[www.mda.maryland.gov](http://www.mda.maryland.gov)

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410.841.5914 Fax  
800.492.5590 Toll Free

## Maryland Department of Agriculture

### Legislative Comment

**Date:** February 3, 2021

**BILL NUMBER:** Senate Bill 539

**SHORT TITLE:** Income Tax Credit – Food Donation Pilot Program – Extension

**MDA POSITION:** Support

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Senate Bill 539 reauthorizes the Maryland Food Donation Pilot Program, which is set to sunset this year.

During the 2017 legislative session, the Maryland General Assembly passed Senate Bill 416 – Income Tax Credit – Qualified Farms – Food Donation Program. The bill was signed into law by Governor Larry Hogan. The purpose of the bill is to establish a mechanism to allow certain qualified farms to establish a credit against the state income tax for qualified food donations.

Originally, this program was only available to producers in southern Maryland and Montgomery County. However, House Bill 403 of 2019, signed into law by Governor Hogan, expanded the program statewide.

Maryland farmers who donate food to a charity that participates in the Maryland Food Donation Pilot Program are eligible for up to \$5,000 per year of tax credit. The Maryland Department of Agriculture manages the program in cooperation with the Comptroller and has authority to issue up to \$100,000 in tax credits annually. Eligible donations are defined as “fresh farm products for human consumption.” Food donations are eligible for a tax credit of up to 50% of the value of the donation, not to exceed \$5,000 per calendar year. Certified organic produce donations are eligible for a tax credit of 75% of its value.

To date, the total value of food donations from farmers has totaled over \$54,000.

If you have additional questions, please contact Cassie Shirk, Director of Legislation and Governmental Affairs, at [cassie.shirk@maryland.gov](mailto:cassie.shirk@maryland.gov) or 410-841-5886.

# **Annapolis Senate Bill 539 (002).pdf**

Uploaded by: Smith, Nancy

Position: FAV



## **Senate Bill 539**

### **Income Tax Credit – Food Donation Pilot Program – Extension**

#### **Position: Support**

Dear Members of the Budget and Taxation Committee:

I am writing on behalf of Fair Farms Maryland in support of Senate Bill 539, sponsored by Senator Guzzone, which extends the Food Donation Pilot Program signed into law by Governor Hogan in 2017.

In 2010, the Maryland Food Bank started the Farm to Food Bank Program to engage farms across the state to provide hungry Marylanders with fresh, local produce. By combining field gleanings, donations, and contract growing, these farms have supplied us with 8,535,088 pounds of high quality, nutritious food to communities in need across the state since the program's inception.

During a time where COVID is front and center in our state, the Farm to Food Bank Program plays an increasingly important role in our hunger-relief efforts. Due to the pandemic's economic impact, our year-over-year statewide distribution efforts between March and December have increased by 89% (51M pounds vs. 27M pounds). More families are turning to the food bank for help, many for the first time. The Maryland Food Bank wants to ensure the food we provide these households is nutrient-rich and supports a healthy immune system to keep those we serve fed and healthy during the pandemic.

We are thankful for our strong partnership with local farms – who continually donate such nutrient-rich, farm-fresh produce to us. Without the Farm to Food Bank Program, many families we serve would not otherwise be able to afford fresh produce. The program is a win for the farm, the food bank, and, most importantly, those who are receiving the food.

The tax incentive program for our farmers has grown over the years since more counties can now participate. Our local farmers are truly a lifeline for keeping the communities we serve fed – and healthy. Further supporting our farmers and the essential role they play in the Maryland Food Bank's hunger-relief efforts is simply the right thing to do.

The Maryland Food Bank proudly stands behind our state's farmers and their work in enhancing Maryland's charitable food distribution stream and keeping our neighbors healthy. We stand behind this bill and we urge the Committee to adopt a favorable report of Senate Bill 539.

Sincerely,

Nancy Smith  
Sr. Director of Government Relations

# **Support SB 539 Food Donation Tax Credit 2021.pdf**

Uploaded by: Smith-Bell, Melanie

Position: FAV



**Senate Bill 539 (Senator Guzzone)  
Income Tax Credit – Food Donation Pilot Program – Extension**

Position: Support

February 1, 2021

Dear Members of the Budget and Taxation Committee:

I am writing on behalf of Community FARE in support of Senate Bill 539, sponsored by Senator Guzzone, which extends the Food Donation Pilot Program that was signed into law by Governor Hogan in 2017 in Montgomery County and Southern Maryland. This program was expanded statewide in 2019, seeing 127,795 pounds of donations reported. Continuing this tax credit program would help to sustain access to locally-sourced, fresh, and nutritious food for low-income Marylanders, at the same time generating economic support to Maryland farm businesses.

Community FARE was established to help safeguard a diverse and healthy local food economy that will preserve farmland integrity and biodiversity and ensure that food grown here is accessible to residents of Frederick County and its regional neighbors. In 2018 Community FARE, along with community partners from Fox Haven Organic Farm, and experienced food system professionals from Center for a Livable Future met to launch the Frederick County Food Council and advance Frederick County's local food access, economy, and sustainability. Frederick MD Farm to School is a detailed project supported by Community FARE working toward those objectives in the specific context of Frederick County's public school institution. Due to Covid-19, Farm to School is working alongside Frederick's Blessings in a Backpack program to distribute fresh food from local farms to food insecure families at school lunch distribution sites, including educational information about nutrition and preparation of the food.

Procurement of local foods benefits public health by providing clients, staff, and other consumers using Maryland institutions fresh nutrient-rich food. Reducing the distance that food is transported also conserves energy, and generates more economic activity within the State of Maryland. Throughout the COVID-19 pandemic we have seen an increase in food insecurity. According to the [Maryland Food Bank](#) there was an 89% increase in food distribution during the period from March through December of 2020. This increase in need for food assistance arises at the same time that those frequenting food banks are in even greater need for access to the kind of healthful, nutritious food that supports a strong immune system and improves health outcomes. The continuation of this credit supports the Maryland farming community and acknowledging the essential role they play in maintaining the health of our citizens and their role in the Maryland economy.

It is for the reasons stated above that we urge the Committee to adopt a favorable report of Senate Bill 539.

Respectfully,

Janice Wiles  
Director, [Community FARE](#)  
Food Advocacy Resources Education  
[Farm to School](#) / [Frederick County Food Council](#)  
(240) 626 5209  
[janice@communityfare.org](mailto:janice@communityfare.org)

Melanie Smith-Bell  
Communications & Outreach  
Coordinator, Community FARE  
(301) 768-3354  
[melanie@communityfare.org](mailto:melanie@communityfare.org)

Alysia Mason Feuer, MPH, RD  
Farm to School Program Director  
[Frederick County Farm to School](#)  
443-366-5670

JoAnn Coates-Hunter  
Director  
Fox Haven Organic Farm & Learning  
Center  
Community FARE Advisory Board

Lisa Orr  
Community FARE Advisory Board  
Frederick County Food Council  
Ag Economy Working Group Leadership  
Team

Monica Miles  
Frederick County Food Council  
Ag Economy Working Group Leadership  
Team