



Maryland Farm Bureau, Inc.

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

February 11, 2021

To: House Ways & Means Committee

From: Maryland Farm Bureau, Inc.

Re: Support of HB 752 - Income Tax Credit – Food Donation Pilot Program – Extension

On behalf of our member families, I submit this written testimony in support of HB 752, 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 is donated.

MARYLAND FARM BUREAU SUPPORTS HB 752 AND ENCOURAGES A FAVORABLE REPORT.

A handwritten signature in black ink, appearing to read "Colby Ferguson". The signature is stylized and includes a long horizontal flourish at the end.

Colby Ferguson
Director of Government Relations

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