

ERIC EBERSOLE
Legislative District 12
Baltimore and Howard Counties

DEPUTY MAJORITY WHIP

Ways and Means Committee

Chair
Early Childhood Subcommittee



The Maryland House of Delegates
6 Bladen Street, Room 305
Annapolis, Maryland 21401
410-841-3328 · 301-858-3328
800-492-7122 Ext. 3328
Eric.Ebersole@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Chair Kaiser, Vice Chair Washington, and the members of the Ways and Means Committee

Thank you for the opportunity to testify on HB752
Income Tax Credit - Food Donation Pilot Program - Extension

This legislation extends the qualified farms food donation income tax credit, established in 2017. This six county pilot program for farmers was established by Delegate Jameson with HB472. We extended the program for two additional tax years through tax year 2021 and expanded the program so that all farm businesses in the state, not just those in the originally specified counties, qualify for the credit. The legislation also provided better promotion and facilitation of the program.

This was a program which would take food that might otherwise have been discarded and put it on people's plates. It was however, in the first two years, at best, underutilized.

For tax year 2017, one farmer received tax credits from \$10,000 of produce donations

For tax year 2018, two farmers had qualified for tax credits totaling \$5,290 - a little over 3% of the available money

That has continued to improve after our renewal of this program in 2019 along with additional attention to promotion and transportation.

For tax year 2019, 15 farmers from the Eastern Shore, southern Maryland and central Maryland received tax credits amounting to \$21,832.50 in donations. The actual total value of food donations from farmers totaled \$43,600. In total, 127,795 pounds of donations were reported.

For tax year 2020, as one might expect, donations were off slightly, with eight farmers from the Eastern Shore, southern Maryland and central Maryland receiving tax credits worth \$13,929.27. The actual total value of food donations from farmers totaled \$27,828.76.

The Maryland Food Bank received most of the donations and is very interested in helping this program to continue to grow in securing donations by aggressively promoting the program. As well, they will, with the help of the promotion also aid in transportation of donations, clear a potential barrier to donating. To that end, the uncodified language conveys the legislative intent that the Maryland Department of Agriculture (MDA) continue to fund the marketing of the tax credit program and also facilitate the donation of eligible food donations by qualified farms through the reimbursement of transportation costs or direct assistance with the transportation of eligible food donations.

I feel that this program will continue to grow and bring even more food to tables of those who cannot afford it

Eric D. Ebersole