



February 23, 2023

**2023 SESSION SUPPORT TESTIMONY  
HB0584: Income Tax Credit - Food Donations**

**BILL:** HB0584: Income Tax Credit - Food Donations by Qualified Farms - Extension (Farmers Feeding Families Act)

**COMMITTEE:** Ways and Means

**POSITION:** Testimony in Support with Amendments of House Bill 0584

**BILL ANALYSIS:** Extending a tax credit against the State income tax for fresh farm and organic fresh farm food donations; altering the amounts of the tax credit from 75% to 100% of the value of the donated certified organic produce a qualified farm is eligible to receive under certain circumstances.

Dear Chair Atterbeary and members of the House Ways and Means Committee:

The Montgomery County Food Council (MCFC) urges you to **SUPPORT, with Amendments, HB0584** to increase the tax credit extended to farmers/farms for food donations.

This legislation takes important steps to continue to encourage food donations from local farmers. By extending the tax credit, the Food Donation program will continue to be a method to support those in need of food assistance in Maryland. With the impacts of Covid-19 still ongoing, increased prices at grocery stores, and the ending of emergency allotments for SNAP recipients, it is an important time to address issues of food insecurity. This legislation will encourage local farmers to donate excess food through the improved tax credit to the benefit of families across the State. By further incentivizing farmers to donate food, this legislation can also reduce potential food waste. The Montgomery County Food Council's 2023 policy priorities include increasing local procurement, and this legislation will increase the amount of families that have access to locally grown produce. Increasing local procurement supports local Maryland food producers as well as families who want access to locally-grown products.

As currently written, the legislation does not address several issues identified by farmers and food assistance providers who currently use this program. Based on their input, we make the following **recommendations** to strengthen the program:

- Remove the designation between fresh and organic farm food donations.
- Increase the value of products donated to 100%, independent of Certified Organic Status.



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- Require the State to issue the tax credit letters to the farmers in a timely fashion.
- Remove the sunset provision so that farmers know they can depend on this tax credit as an incentive on an on-going basis.

We support this bill to extend and increase the tax credit for food donations from agricultural lands, and urge that the bill be made stronger with our proposed amendments. This bill will increase local procurement by increasing access to food for families, encourage farmers to donate excess produce and, through the recommended changes, will ensure that all farmers will be able to benefit. Food donations are a vital resource for many Maryland families and through increased incentive this legislation will encourage more farmers to donate their products. **For these reasons, the Montgomery County Food Council supports, with the stated amendments, HB0584 and urges a FAVORABLE REPORT WITH AMENDMENTS for this bill.**

*The Montgomery County Food Council is a nonprofit organization that serves as the primary connection point for businesses, nonprofits, government agencies, and residents around food system issues in our County. We bring together over 2,000 local and regional partners in community-wide education, advocacy, and capacity building initiatives. Our work cultivates a more resilient, sustainable, and equitable local food system by enhancing food access for the over 100,000 at risk for hunger, expanding food education opportunities for all residents, supporting our County's farms and food and beverage businesses, and addressing the impact of local food production, distribution, consumption and recycling on our natural resources*

**For more information, please contact Massa Cressall, Interim Executive Director, at the email and phone number below.**



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