From the Desk of:

Brad Witt



## **Support SB 1541 – The Crop Donation Bill**

The Oregon Farm Bureau Federation supports reinstating the crop donation tax credit that will greatly help feed hungry Oregonians. Oregon was the first state in the country to adopt this type of program back in 1977. Unfortunately, this tax credit was allowed to sunset in 2011.

- SB 1541 reestablishes the tax credit at 15% of wholesale market price (previously at 10%)
- Every \$1 in tax credit brings in 11 pounds of donated food. Every \$1 in tax credit equals 9 meals
- The LRO estimated revenue impact is \$360,000 annually

## Why is this tax credit needed?

- 1. Provides an incentive to donate to the food bank
- 2. Allows a farmer to recoup some of their costs to produce the donated food
- 3. Raising the tax credit allows small family farms to donate that otherwise couldn't
- 4. More nutritious fruits and vegetables will be available to hungry Oregonians

Often times a farmer decides to donate their crop due to changing market prices or because of weather damage. The damaged crop is perfectly fine but no longer marketable because of "imperfections" cause from a hail storm, for example. If the crop will not go to market because of weather damage or changing market prices then it sometimes is left in the field or on the tree rather than pay additional costs to harvest the unmarketable crop. A tax credit allows the farmer to recover some of the costs (labor, water, energy, transportation, etc.) to get that crop into the food banks supply chain.

## **VOTE YES ON SB 1541!**