



## SB 760 Farmers' Food Donation Tax Credit Expansion

Testimony for the House Committee on Revenue 3.18.2015 David Roth

TFO has always supported the mission of Oregon Food Bank and the other non-profit food banks around the state. They have created a remarkable system of voluntary food distribution that helps thousands and thousands of Oregonians every year.

Our non-profit food banks are publicly subsidized by a state tax credit for growers who donate their crops to food-banks. Currently the tax credit is set at 15% of the wholesale value of the crop. That number is fairly close to the average net income per acre that the USDA found in its economic census of Oregon agriculture between 1997 and 2007. \*

### OREGON'S AGRICULTURAL INCOME DATA

Based on USDA Econ Censuses 1997, 2002 and 2005

Category	1997	2002	2005
Total Acres in Oregon's Ag	17,658,213	17,200,000	16,399,647
Wholesale Value of Farm Sales	\$3,890,848,000	\$3,798,435,000	\$4,761,206,000
<b>Avg Gross Sales/Acre</b>	<b>\$220</b>	<b>\$221</b>	<b>\$290</b>
<b>Avg Net Income/Acre</b>	<b>\$38</b>	<b>\$29</b>	<b>\$53</b>
<b>Avg Tax Credit @15%</b>	<b>\$33</b>	<b>\$33</b>	<b>\$44</b>
<b>Avg Tax Credit @50%</b>	<b>\$110</b>	<b>\$111</b>	<b>\$145</b>

From Table 1 of "Oregon Agriculture and the Economy: An Update" published by OSU Extension 2011

That seems like a reasonable level of incentive for farmers and ranchers to share their bounty with the food banks.

This bill would increase that incentive dramatically, from 15% to 50%, more than triple the existing tax credit. That's not an incentive. When Oregon farmers and ranchers show up at a food bank with a load of beans or fruit they want to make a donation, not a killing.

*We read the bills and follow the money*