

**STAFF MEASURE SUMMARY**

**Senate Committee On Human Services and Early Childhood**

**Fiscal:** Has minimal fiscal impact

**Revenue:** Revenue impact issued

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**Action Date:** 04/16/15

**Action:** Do Pass And Refer To Tax Credits By Prior Reference.

**Meeting Dates:** 03/19, 04/09, 04/16

**Vote:**

Yeas: 4 - Gelser, Kruse, Monnes Anderson, Olsen

Nays: 1 - Dembrow

**Prepared By:** Cheyenne Ross, Committee Administrator

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**WHAT THE MEASURE DOES:**

Increases percentage of wholesale price of donated crops allowed as amount of tax credit, from 15 to 50 percent. Applies starting with 2015 tax year. Takes effect 91<sup>st</sup> day after *sine die*.

**ISSUES DISCUSSED:**

- Oregon Department of Agriculture recommendation of 50 percent as appropriate to offset cost of donation
- Offsetting costs associated with making donation in order to encourage more donations
- Thin profit margins for many farmers; without offset, produce could be left in the field instead of donated

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

The tax credit for donated crops used to be at 10 percent, and expired in 2011. It was revived at 15 percent for 2014, but because it has only been in effect for a year at that level, the total number of persons claiming the credit is not yet known, nor how much food was donated.

Senate Bill 760 increases the percentage of the wholesale price of donated crops that is allowed as the amount of a tax credit, from 15 to 50 percent, beginning with the 2015 tax year.