NEW YORK STATE AGRICULTURE COMISSIONER REMINDS FARMERS OF TAX CREDIT FOR CHARITABLE FOOD DONATIONS AHEAD OF TAX FILING DEADLINE OF MAY 17, 2021

Reflects State's Continued Commitment to Fight Hunger Across New York

New York State Agriculture Commissioner Richard A. Ball today reminded New York farmers ahead of the tax filing deadline of May 17, 2021 that they are eligible to receive a tax credit for qualifying food donations made to food banks and other emergency food providers in the tax year 2020. According to the New York Farm Bureau, farmers across the state donated more than eight million pounds of food in 2020, helping to feed many families who faced increased food insecurity due to the COVID-19 pandemic.

Commissioner Ball said, "New York's farmers are consistently among the nation's leading donors to food banks, food pantries, and other charitable food organizations – a great feat in any year and especially during 2020 when our producers faced difficult challenges brought on by the pandemic. Our farmers' donations have provided fresh, healthy foods to millions of New York families who needed assistance more this past year than ever before. In fact, many of our farmers participating in the Nourish New York program have also continued to donate their products. I encourage our eligible farmers to take advantage of this great program and the economic benefit made available for their generosity."

New York State Commissioner of Taxation and Finance Michael Schmidt said, "We welcome the opportunity to join with our government partners to administer and support this commendable program, which provides fresh and nourishing food to struggling families while simultaneously encouraging farmers to reinvest in their land and vital operations."

The farm donations to food pantries tax credit was enacted in 2018 to compensate farmers for costs associated with harvesting, packaging, and distributing local products to eligible food pantries, food banks, and other emergency food programs across the state.

The tax credit, which is supported by the <u>New York State Council on Hunger and Food Policy</u>, is a refundable credit equal to 25 percent of the fair market value of qualified donations up to \$5,000. Eligible donations include fresh fruits and vegetables grown or produced in New York State and provided to emergency food programs that qualify for tax exempt status. To claim the credit, the taxpayer must receive proof of the donation in the form of a receipt or written acknowledgment from the eligible food program.

Information about eligibility requirements for the tax credit <u>is available here</u>. For additional tax credit and exemption programs available through the New York State Department of Taxation and Finance, agri-businesses can visit https://www.tax.ny.gov/bus/business-incentives.htm and choose "Farming and Agriculture."

This tax credit is a part of the State's comprehensive efforts to combat hunger in New York State, including the Council on Hunger and Food Policy, the No Student Goes Hungry initiative, and more. Most recently, the Nourish New York program has helped people who are food insecure to access the nourishment that they need, while providing a market for farmers to sell their products. To date and statewide, Nourish New York has helped New York's food banks and emergency food providers purchase more than 25 million pounds of agricultural products, or nearly 21 million meals for New York households.