

117TH CONGRESS
2D SESSION

H. R. 7317

To amend the Internal Revenue Code of 1986 to incentivize food donation through tax credits and deductions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 31, 2022

Ms. BROWN of Ohio (for herself, Ms. PINGREE, Mr. KELLER, and Mr. BALDERSON) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to incentivize food donation through tax credits and deductions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Further Incentivizing
5 Nutritious Donations of Food Act of 2022” or the “FIND
6 Food Act of 2022”.

1 **SEC. 2. EXPANSION OF CHARITABLE DEDUCTION FOR CON-**
 2 **TRIBUTIONS OF FOOD INVENTORY.**

3 (a) NONPROFIT RETAIL SALES.—Section
 4 170(e)(3)(C) of the Internal Revenue Code of 1986 is
 5 amended by adding at the end the following new clause:

6 “(vii) NONPROFIT RETAIL SALE.—For
 7 purposes of clause (i), a charitable con-
 8 tribution of food includes a contribution to
 9 or for the use of an organization described
 10 in subsection (c) that holds such food for
 11 nonprofit retail sale at a good Samaritan
 12 reduced price. For purposes of the pre-
 13 ceding sentence, the term ‘good Samaritan
 14 reduced price’ means a price that is an
 15 amount not greater than the cost of han-
 16 dling, administering, and distributing such
 17 food.”.

18 (b) EFFECTIVE DATE.—The amendment made by
 19 this section shall apply to contributions made after the
 20 date of the enactment of this Act, in taxable years ending
 21 after such date.

22 **SEC. 3. TAX DEDUCTION FOR THE COST OF TRANSPORTING**
 23 **DONATED FOOD.**

24 (a) IN GENERAL.—Section 170(e) of the Internal
 25 Revenue Code of 1986 is amended by adding at the end
 26 the following new paragraph:

1 “(8) SPECIAL RULE FOR CERTAIN OUT-OF-
2 POCKET EXPENSES IN GIVING SERVICES RELATED
3 TO CHARITABLE CONTRIBUTION OF FOOD.—

4 “(A) QUALIFIED CONTRIBUTIONS.—For
5 purposes of this paragraph, the term ‘qualified
6 contribution’ means the transportation costs (or
7 any portion thereof) paid or incurred by the
8 taxpayer with respect to the conveyance of a
9 charitable contribution of food, including the
10 coordination or arrangement of transportation
11 services, determined without regard to whether
12 the contribution is made by a C corporation to
13 an organization which is described in section
14 501(c)(3) and exempt from tax under section
15 501(a) (other than a private foundation as de-
16 fined in section 509(a), which is not an oper-
17 ating foundation as defined in section
18 4942(j)(3)), but only if—

19 “(i) the use of the charitable contribu-
20 tion of food by the donee is related to the
21 purpose or function constituting the basis
22 for the organization’s exemption under sec-
23 tion 501(a), and the food is to be used by
24 the donee solely for the care of the ill, the
25 needy, or infants, and

1 “(ii) the taxpayer receives from the
2 donee a written statement representing
3 that the transportation costs resulted from
4 the conveyance or arrangement of convey-
5 ance of a charitable contribution of food
6 and that use and disposition of the food
7 will be in accordance with the provisions of
8 clause (i).

9 “(B) AMOUNT OF REDUCTION.—The re-
10 duction under paragraph (1)(A) for any quali-
11 fied contribution (as defined in subparagraph
12 (A)) that is a charitable contribution of food
13 shall be equal to 100 percent of the costs paid
14 or incurred by the taxpayer in connection with
15 the transportation of such charitable contribu-
16 tion of food.

17 “(C) LIMITATION.—The aggregate amount
18 of such contributions for any taxable year which
19 may be taken into account under this section
20 shall not exceed—

21 “(i) in the case of any taxpayer other
22 than a C corporation, 10 percent of the
23 taxpayer’s aggregate net income for such
24 taxable year from all trades or businesses
25 from which such contributions were made

1 for such year, computed without regard to
2 this section, and

3 “(ii) in the case of a C corporation,
4 10 percent of taxable income (as defined in
5 subsection (b)(2)(D)).”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to contributions made after the
8 date of the enactment of this Act, in taxable years ending
9 after such date.

10 **SEC. 4. TAX CREDIT FOR FOOD DONATION BY FARMERS.**

11 (a) IN GENERAL.—Subpart D of part IV of sub-
12 chapter A of chapter 1 of the Internal Revenue Code of
13 1986 is amended by adding at the end the following new
14 section:

15 **“SEC. 45U. FARMERS FOOD DONATION CREDIT.**

16 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-
17 tion 38, the farmers food donation credit determined
18 under this section for the taxable year is an amount equal
19 to 50 percent of the fair market value of the qualified do-
20 nation by an eligible farmer to any organization which is
21 described in section 501(c)(3) and exempt from tax under
22 section 501(a) (other than a private foundation as defined
23 in section 509(a), which is not an operating foundation
24 as defined in section 4942(j)(3)).

1 “(b) MAXIMUM CREDIT.—The credit determined
2 under this section with respect to any eligible farmer for
3 any taxable year shall not exceed \$20,000.

4 “(c) ELIGIBLE FARMER.—The term ‘eligible farmer’
5 means any taxpayer engaged in the trade or business of
6 farming.

7 “(d) QUALIFIED DONATION.—The term ‘qualified
8 donation’ means a food crop (including roots, seeds, parts,
9 or products thereof) grown by the taxpayer in the United
10 States that is donated and intended to be used by a donee
11 that is a food bank to provide food to the needy.

12 “(e) DENIAL OF DOUBLE BENEFIT.—No deduction
13 shall be allowed under this chapter for any amount taken
14 into account in determining the credit under this section.”.

15 (b) CREDIT MADE PART OF GENERAL BUSINESS
16 CREDIT.—Subsection (b) of section 38 of the Internal
17 Revenue Code of 1986 is amended by striking “plus” at
18 the end of paragraph (32), by striking the period at the
19 end of paragraph (33) and inserting “, plus”, and by add-
20 ing at the end the following new paragraph:

21 “(34) the farmers food donation credit under
22 section 45U.”.

23 (c) CLERICAL AMENDMENT.—The table of sections
24 for subpart D of part IV of subchapter A of chapter 1
25 is amended by adding at the end the following new item:

“Sec. 45U. Farmers food donation credit.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to contributions made after the
3 date of the enactment of this Act, in taxable years ending
4 after the date of the enactment of this section.

