



SUSAN TALAMANTES EGGMAN

REPRESENTING SENATE DISTRICT 05

SB 240 – Income tax: credits: food banks.

SUMMARY

This bill will help increase access to fresh and healthy food by extending to the state’s tax credit for donations of food to qualified nonprofit organizations, such as food banks, to 2027.

BACKGROUND

California’s agricultural industry is the leading producer of agricultural products in the United States, and is a major contributing factor to California’s position as the fifth largest economy in the world. However, nearly one in every four Californians currently faces food insecurity. While the San Joaquin Valley produces nearly half of our nation’s fresh produce, it also has some of the highest rates of food insecurity in the county.

According to the most recent Census Household Pulse Survey, 1 in 4 California households is food insecure, with even higher rates among Latinx and Black households with children. Nearly 1 million Californians, both urban and rural, live in food deserts and spend an inordinate amount of time and money simply trying to find healthful food for their families. It is often food banks that provide relief for these families.

Since the establishment of this tax credit in 2011 it has proven to be effective, further encouraging those involved in agricultural production to make donations to those in need. The credit results in donations worth millions of dollars to the 41 member food banks of the California Association of Food Banks. These food banks then provide food to over 6,000 nonprofits agencies throughout California.

By extending the sunset date for this tax credit, SB 240 will help to alleviate the food insecurity that too many California families face each year, while preventing food loss proven to drive climate change, and supporting our hard hit agricultural sector with a modest incentive to cover their picking & pack out, cold storage, and other costs to donate.

THIS BILL

SB 240 would provide needed certainty to food donors by extending the authorization for the food donation tax credit until January 1, 2027.

It will also explore the expansion in those eligible to receive the credit, recommended by the Statewide Commission on Recycling Markets and Curbside Recycling.

SUPPORT

California Association of Food Banks (Sponsor)

FOR MORE INFORMATION

Office of Senator Eggman
Logan Hess
Logan.Hess@sen.ca.gov
916.651.4005