



131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 641

H.P. 418

House of Representatives, February 14, 2023

**An Act to Combat Hunger by Creating an Income Tax Credit for
Businesses Engaged in Food Production for Donations to Qualified
Organizations**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ROBERTS of South Berwick.
Cosponsored by Senator CHIPMAN of Cumberland and
Representatives: CROCKETT of Portland, MEYER of Eliot, TERRY of Gorham, Senator:
GROHOSKI of Hancock.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 36 MRSA §5216-E** is enacted to read:

3 **§5216-E. Food donation credit**

4 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
5 following terms have the following meanings.

6 A. "Commercial agricultural production" has the same meaning as in section 2013,
7 subsection 1, paragraph A.

8 B. "Commercial aquacultural production" has the same meaning as in section 2013,
9 subsection 1, paragraph A-1.

10 C. "Commercial fishing" has the same meaning as in section 2013, subsection 1,
11 paragraph B.

12 D. "Credit base" means the amount claimed as a deduction by the taxpayer under
13 Section 170 of the Code for the tax year for charitable contributions of agricultural,
14 aquacultural or fishing products intended for human consumption to a qualified donee.

15 E. "Low-income individual" means an individual who is a member of a lower income
16 household as defined in Title 30-A, section 5002, subsection 11 or who is homeless as
17 defined in Title 30-A, section 5002, subsection 6.

18 F. "Qualified donee" means an organization described in the Code, Section 170(c)(2)
19 or (3) that is located in this State and that provides food to low-income individuals in
20 this State without charging a fee for the food or requiring any other type of
21 compensation from low-income individuals.

22 **2. Credit.** For tax years beginning on or after January 1, 2024, a person engaged in
23 commercial agricultural production, commercial aquacultural production or commercial
24 fishing may claim a credit against the taxes imposed by this Part equal to 10% of the credit
25 base. The credit under this section may not exceed \$5,000 for a taxable year. A person
26 applying for a credit under this section must submit with the application a written statement
27 from the qualified donee that the products donated will be used by the qualified donee for
28 charitable purposes and for the care of individuals who are ill, needy or malnourished.

29 **SUMMARY**

30 This bill provides an income tax credit up to \$5,000 for persons engaged in commercial
31 agricultural production, commercial aquacultural production or commercial fishing for
32 donations to a qualified organization that provides food to low-income individuals without
33 charging a fee for the food or requiring any other type of compensation from the low-
34 income individuals.