

# WHY DONATE?

Join us in leading the fight to end hunger in Marion and Polk Counties ... because no one should be hungry.



- Nourish the community
- Increase employee morale
- Attract and retain talent



- Reduce storage costs and dumping fees
- Receive tax credits and deductions



- Minimize waste
- Expand commitment to environmental stewardship and community engagement

Our goal is to help your neighbors in need. We work hard to make donating easy for you and to ensure safe and efficient handling of your donation. We can turn your liabilities into assets that nourish families and individuals in our community.

This month, as with every month, more than 46,000 people – including 15,000 children – will access emergency food through the Marion Polk Food Share partner network. This food may be a hot meal served at a shelter, a free community meal served at a church, or an emergency food box from a food pantry. This nutritious food will help children and adults learn, work and thrive.

# WHAT TYPES OF PRODUCTS CAN I DONATE?

We have the capacity to pick up, store, and distribute the following types of products:

- Fruits, vegetables, grains, protein, dairy
- Fresh, frozen, canned, dried, dehydrated
- Discontinued, surplus
- Damaged packaging
- Bulk product
- Code-dated, mislabeled, out of specification
- Home-grown produce
- Gleaned farm crops
- Post-retail packaged food items
- Non-food household items



## More ways to help

### Donate packaging

Boxes, bags, poly film, jugs, bottles, totes, barrels, pallets and more



### Donate trucking

Back-haul and less than load (LTL) opportunities



### Donate processing

Add value to bulk donated product by donating or discounting excess capacity



### Donate funds

Corporate donations, sponsorship and employee giving and matching



### Donate time

Bring your employees to volunteer or organize an office food and fund drive



# ENHANCED TAX DEDUCTIONS FOR FOOD & CROP DONATIONS



When donating surplus food to 501(c)3 nonprofits, businesses and farms are eligible for enhanced tax deductions, up to 15% of their taxable income. In many cases, the tax deductions received from donating surplus product are greater than the tax shield that is earned from liquidating or disposing of the goods.

## Tracking Fair Market Value and Cost Basis

**Fair Market Value (FMV):**  
The price at which comparable items are being sold elsewhere in the market.

**Cost Basis (Cost):**  
Cost of producing/acquiring the food (or 25% of FMV for certain farms and small businesses).

There are two equations for determining the deductible amount. Businesses can deduct the lesser amount of the two options below.

**Method 1:** Cost + 1/2 (FMV - Cost)      **Method 2:** Cost x 2

## Example

A distributor donates apples with an FMV of \$500. The cost basis (how much it costs the distributor to buy the apples) is \$400. The expected profit margin is \$100 (\$500 - \$400). The distributor can deduct the lesser of the following values:

**Method 1:** Cost + 1/2 (FMV - Cost)

$$\begin{array}{c}
 \$100 \quad \$100 \\
 \$100 \quad \$100
 \end{array}
 + \frac{1}{2} ( \begin{array}{c} \$100 \\ \$100 \end{array} ) = \begin{array}{c} \$100 \quad \$100 \\ \$100 \quad \$100 \\ \$50 \end{array}$$

**Method 2:** Cost x 2

$$\begin{array}{c}
 \$100 \quad \$100 \\
 \$100 \quad \$100
 \end{array}
 \times 2 = \begin{array}{c} \$100 \quad \$100 \\ \$100 \quad \$100 \\ \$100 \quad \$100 \end{array}$$

In this particular case, the distributor can deduct \$450 using Method 1.

