



# Crop Donation Tax Credit

ORS 315.154 and 315.156

Tax year

Fiscal year ending  /  /

Name of grower	Social Security no. or Federal ID no.	Telephone no. ( )	
Address	City	State	ZIP code

I am an individual or corporation making a qualified donation to a gleaning cooperative, food bank, or other charitable organization of a crop that I have grown. The organization receiving the donation is engaged in the distribution of food without charge and the crop is usable as food for human consumption. The donation is available because (check one):

- ☐ I have supplied my contract quota with the wholesale or retail buyer.
- ☐ I was party to a contingent supply contract. The buyer reduced my crop quota below what I expected to supply.
- ☐ I am making a donation of apparently wholesome food intended for human consumption.

## Determination of wholesale market price

The wholesale market price for each crop being donated is determined by either:

- The amount paid to the grower by the last previous cash buyer; or
- If there is no previous cash buyer, the market price of the nearest wholesale buyer or the regional u-pick market price.

## Donation and calculation of credit. To be completed by the grower.

A. Description of crops donated	B. Date donated	C. Quantity of donation	D. Wholesale market price	E. Wholesale value <i>(multiply column C x column D)</i>
1.				
2.				
3.				
4.				
5.				
6.				
7. Total wholesale value (column E, lines 1–6).....				7
8. Credit percentage .....				8
9. <b>Credit amount.</b> Multiply line 7 by line 8. Enter result here and on Form 40, 40N, or 40P; Other Credits (identify as code 708 and enter your credit amount); or enter on Form 20, Other Credits.....				9
Signature of grower				Date

## Verification of donation. To be completed by organization receiving the donation.

Name of organization receiving donation	Telephone no. ( )		
Address	City	State	ZIP code

I verify the crop was, or will be, distributed in Oregon (a) without charge, **and** (b) to children or homeless, unemployed, elderly, or low-income individuals, **and** (c) by a qualified charitable organization defined by Internal Revenue Code Section 501(c)(3).

Signature of official receiving donation <b>X</b>	Name of official receiving donation	Date
--	-------------------------------------	------

# Instructions for Crop Donation Tax Credit

Oregon allows a tax credit for crops donated to a gleaning cooperative, food bank, or other charitable organization engaged in the distribution of food without charge.

The organization receiving the donation must have a principal or ongoing purpose of distribution of food to children or homeless, unemployed, elderly, or low-income individuals.

The organization must be located in Oregon and be exempt from federal income taxes under Section 501(c)3 of the Internal Revenue Code.

## To qualify for this credit

- You must be in the business of growing the crop to be sold for cash;
- The crop must be fit for human consumption; and
- The food must meet all quality and labeling standards imposed by federal, state, or local laws, even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

Eligible crops include, but are not limited to:

- Bedding plants that produce food;
- Orchard stock intended for the production of food; and
- Livestock that may be processed into food for human consumption.

Donated food meeting the above qualifications will meet the definition of *apparently wholesome food* as required for this credit.

## How much is the credit?

The credit is 10 percent of the value of the quantity of the crop donated, computed at the wholesale market price at the time of donation. The wholesale market price is determined by either:

- The amount paid to the grower by the last previous cash buyer of the particular crop; or

- In the event there is no previous cash buyer, a market price based upon the market price of the nearest regional wholesale buyer or regional u-pick market price.

**Example:** 5,000 pounds of potatoes @ \$0.10/lb.  
 $5,000 \times 0.10 = \$500$  (market value)  
 $10\% (0.10) \times \$500 = \$50$  (credit allowed)

## How to claim the credit

Keep your completed Form 150-101-240, *Crop Donation Tax Credit*, with your tax records to verify your donation. If there was a previous cash buyer, you must keep a copy of an invoice or other statement identifying the price received for crops of comparable grade or quality.

Individuals, partners, S corporation shareholders, or corporations can take the credit. S corporation shareholders or partners may claim the credit based on their pro rata share of the value of the donated crop.

**Part-year residents and nonresidents.** You are allowed the credit subject to the same limitations as a credit allowed a resident. Prorate the credit by multiplying your total credit by your Oregon percentage to figure the amount you can claim on your Oregon return.

**Carryforward.** Your credit cannot be more than your tax liability for Oregon. You can carry forward any unused credit for the next three years. If the credit is not used within three years, it is lost.

## Taxpayer assistance

**General tax information** .....[www.oregon.gov/DOR](http://www.oregon.gov/DOR)  
Salem ..... 503-378-4988  
Toll-free from an Oregon prefix..... 1-800-356-4222

### Asistencia en español:

En Salem o fuera de Oregon..... 503-378-4988  
Gratis de prefijo de Oregon ..... 1-800-356-4222

### TTY (hearing or speech impaired; machine only):

Salem area or outside Oregon ..... 503-945-8617  
Toll-free from an Oregon prefix..... 1-800-886-7204

**Americans with Disabilities Act (ADA):** Call one of the help numbers for information in alternative formats.