

---

## FISCAL TOPICS

Fiscal Services Division

October 22, 2021



---

Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

## Tax Credit: Farm to Food Donation Tax Credit

The Farm to Food Donation (FFD) Tax Credit is available to taxpayers who produce a food commodity and donate it to a registered Iowa food bank, food pantry, or an emergency feeding organization. The FFD tax credit applies to corporation and individual income taxes and is equal to 15.0% of the value of the food commodities donated, or \$5,000, whichever is less. The value of the donation for which the tax credit is claimed is self-assessed, but cannot be included as a charitable contribution on an Iowa tax return. It can be included on a federal tax return. The donated food may not be damaged, out of condition, or unfit for human consumption.

### Tax Credit Background

- Enacting Legislation: 2013 Iowa Acts, chapter [140](#) (State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes Act)
- Iowa Code Citations:
  - Section [190B](#) — Program Description
  - Section [422.11R](#) — Individual Income Tax
  - Section [422.33\(30\)](#) — Corporate Income Tax
- Administrative State Agency: Iowa Department of Revenue
- Sunset Date: None
- Transferable: No
- Refundable: No
- Carryforward: Any credit in excess of the tax liability may be carried forward for up to five years.
- Tax Review Committee Review Year: None scheduled.

### Legislative History

The FFD Tax Credit became effective for tax years beginning on or after January 1, 2014.

### Tax Credit Review, Usage, and Future Liability

The Department of Revenue (IDR) reports on the annual credit usage for the FFD tax credit in its [Contingent Liabilities Report](#). Based on Table 9 of the report, the following table and graph provide credit redemption history and projections for the FFD tax credit on a fiscal year basis. The blue bars of the graph indicate the actual credit redemptions, while the red bars are the IDR projections of future redemptions.

---

### More Information

Department of Revenue Contingent Liabilities Report: [tax.iowa.gov/reports?term\\_node\\_tid\\_depth=79](http://tax.iowa.gov/reports?term_node_tid_depth=79)

Department of Revenue Tax Credit Fact Sheet:

[tax.iowa.gov/sites/default/files/idr/documents/Farm%20to%20Food%20Factsheet%202018.pdf](http://tax.iowa.gov/sites/default/files/idr/documents/Farm%20to%20Food%20Factsheet%202018.pdf)

Department of Revenue Tax Credit Users' Manual: [tax.iowa.gov/sites/default/files/2020-11/TaxCreditsUsersManual2020.pdf](http://tax.iowa.gov/sites/default/files/2020-11/TaxCreditsUsersManual2020.pdf)

Legislative Services Agency Individual Income Tax Guide:

[www.legis.iowa.gov/docs/publications/LG/711304.pdf](http://www.legis.iowa.gov/docs/publications/LG/711304.pdf)

LSA Staff Contact: Lora Vargason (515.725.2249) [lora.vargason@legis.iowa.gov](mailto:lora.vargason@legis.iowa.gov)

### Farm to Food Tax Credit History

\* Projected

Fiscal Year	Tax Credit Redemptions	Fiscal Year	Tax Credit Redemptions
FY 2007	\$ 0	FY 2017	\$ 9,079
FY 2008	0	FY 2018	12,388
FY 2009	0	FY 2019	17,284
FY 2010	0	FY 2020	26,439
FY 2011	0	FY 2021	15,059
FY 2012	0	FY 2022*	28,514
FY 2013	0	FY 2023*	32,911
FY 2014	0	FY 2024*	37,885
FY 2015	10,009	FY 2025*	43,515
FY 2016	9,732	FY 2026*	50,044

### Farm to Food Tax Credit Redemptions

\*Projected

