

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

FILED SENATE
May 14, 2020
S.B. 785
PRINCIPAL CLERK

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SENATE BILL DRS45438-MCf-243

Short Title: Disaster Farm Products Donation Tax Credit. (Public)

Sponsors: Senators deViere, Searcy, and Woodard (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW AGRICULTURAL PRODUCERS AN INCOME TAX CREDIT FOR
3 FOOD DONATIONS DURING A TIME OF A DECLARED STATE OF EMERGENCY.
4 The General Assembly of North Carolina enacts:

5 SECTION 1. Article 4 of Subchapter I of Chapter 105 of the General Statutes is
6 amended by adding a new section to read:

7 "**§ 105-153.11. Credit for gleaned crop disaster donations.**

8 (a) A taxpayer who grows a crop and permits the gleaning of the crop shall be allowed
9 as a credit against the tax imposed by this Part an amount equal to fifty percent (50%) of the
10 market price of the quantity of the gleaned crop. This credit may not exceed the lesser of fifteen
11 thousand dollars (\$15,000) or the amount of tax imposed by this Part for the taxable year reduced
12 by the sum of all credits allowable, except tax payments made by or on behalf of the taxpayer. In
13 order to claim the credit allowed under this section, the taxpayer must add the market price of
14 the gleaned crop to the taxpayers adjusted gross income. Any unused portion of the credit may
15 be carried forward for the next succeeding five years.

16 (b) The following definitions apply to this section:

17 (1) Gleaning. – The harvesting of a crop that has been donated by the grower to a
18 nonprofit organization which will distribute the crop during a qualifying
19 portion of the taxable year to an area of this State covered by a state of disaster
20 to individuals, public schools, or other nonprofit organizations it considers
21 appropriate recipients of the food.

22 (2) Market price. – The season average price of the crop as determined by the
23 North Carolina Crop and Livestock Reporting Service in the Department of
24 Agriculture and Consumer Services, or the average price of the crop in the
25 nearest local market for the month in which the crop is gleaned if the Crop
26 and Livestock Reporting Service does not determine the season average price
27 for that crop; and

28 (3) Nonprofit organization. – An organization to which charitable contributions
29 are deductible from gross income under the Code.

30 (4) Qualifying portion of the taxable year. – The portion of a year to which a state
31 of disaster applies and the succeeding 180 days.

32 (5) State of disaster. – When one or more of the following has occurred:

33 (a) The Governor or legislature has declared a state of emergency under
34 G.S. 166A-19.20.

35 (b) The Governor has issued a disaster declaration under
36 G.S. 116A-19.21.



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1 (c) The President of the United States has issued a major disaster
2 declaration under the Robert T. Stafford Disaster Relief and
3 Emergency Assistance Act, 42 U.S.C. § 5121, et seq., as amended, for
4 this State, for an area within this State, or for an area in which a
5 member or an employing unit is located.

6 (d) The governor, legislature, or other governing body has declared a state
7 of emergency or disaster, or the equivalent, for an area in which a
8 member or employing unit is located."

9 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,
10 2020.