



**FOOD LAW
and POLICY CLINIC**
HARVARD LAW SCHOOL

FOOD SYSTEMS
FOR THE FUTURE



UN environment
programme | **50**
1972-2022



The **Global
FoodBanking
Network**

The Impact of Tax Law and Policy on Food Waste, Food Recovery and Donation

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With support from

Walmart  **org**

About the Food Law and Policy Clinic

- Provide **legal and policy advice** to nonprofits, government agencies, entrepreneurs, and other organizations on a range of food policy questions
- **Educate students** about the role of law and policy in the food system
- **Build** the field of Food Law and Policy





Webinar Goals

Today's web conference is the fourth in our multi-session series focused on topics in law and policy related to food recovery and food donation.

Goals:

- **Understand concerns and challenges** regarding tax incentives and barriers for food donations;
- **Learn of best practices** in offering tax incentives for food donation and removing potential tax barriers;
- **Discuss policy considerations** to encourage the adoption of tax policy schemes that are most favorable to food redistribution.



WHAT'S THE ISSUE?

An estimated **1.3 billion tons of food** is lost or wasted globally and more than **820 million people** suffer from hunger.



A CRITICAL SOLUTION



is to adopt **clear** and **comprehensive** laws and regulations for food donation.

Project Aims

THE GLOBAL FOOD DONATION POLICY ATLAS



IDENTIFY AND ANALYZE

Laws related to food donations and common legal barriers in countries around the world.

RECOMMEND POLICY CHANGE

For stronger, more sustainable food donation operations.

CREATE A PLATFORM FOR GLOBAL ENGAGEMENT

Through an online, interactive tool that allows for comparison between countries, and through events and dialogues across countries.

DELIVER TAILORED TECHNICAL ASSISTANCE

For the implementation of strategic policy change.

Deliverables: online library & interactive atlas

 ARGENTINA

[Legal guide](#) [Policy recommendations](#) [Executive summary](#)

[Guía legal](#) [Recomendaciones](#) [Resumen ejecutivo](#)

 CANADA

[Legal guide](#) [Policy recommendations](#) [Executive summary](#)

[Guide juridique](#) [Recommandations](#) [Résumé analytique](#)

 COLOMBIA

[Legal guide](#) [Policy recommendations](#) [Executive summary](#)

[Guía legal](#) [Recomendaciones](#) [Resumen ejecutivo](#)

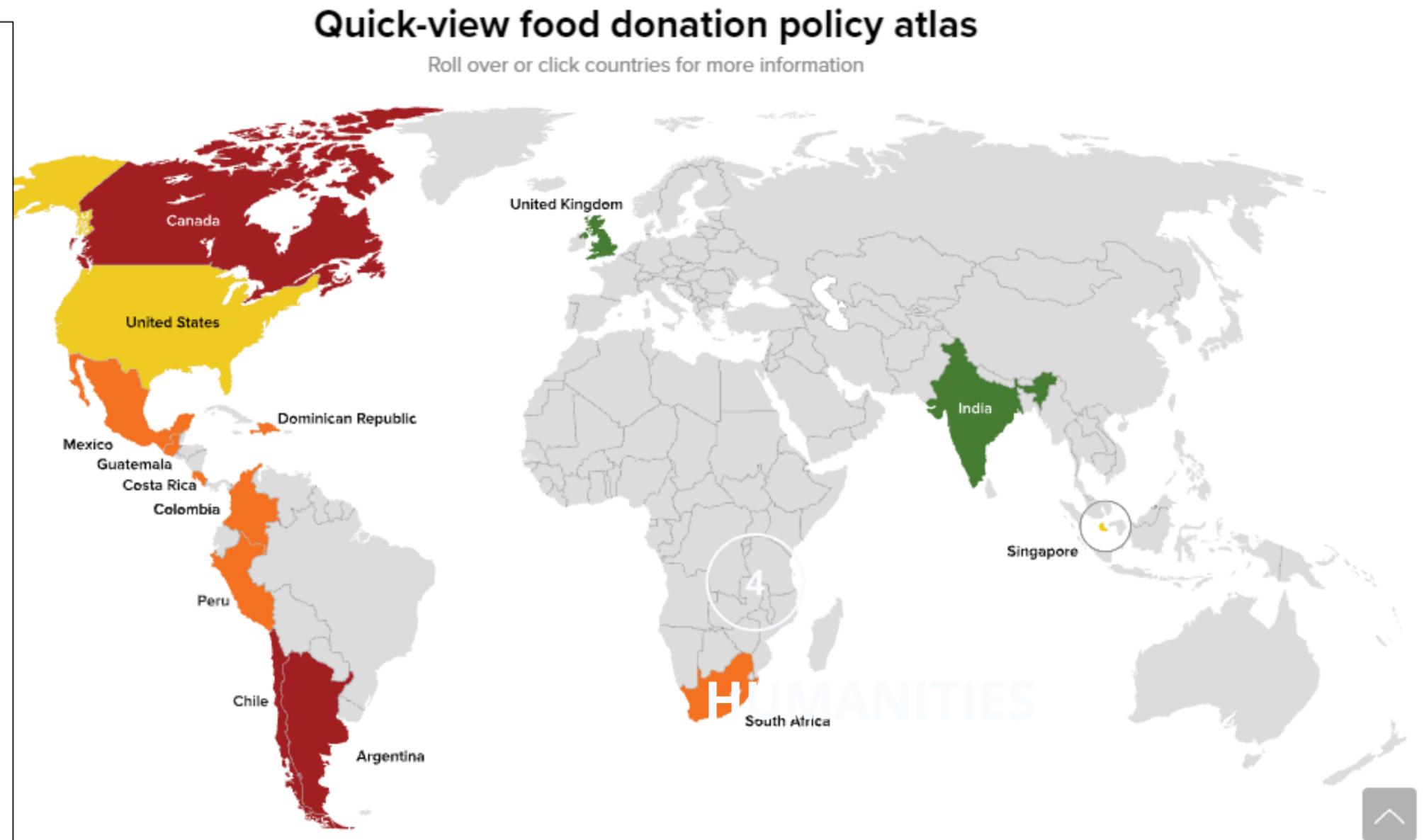
 INDIA

[Legal guide](#) [Policy recommendations](#) [Executive summary](#)

 MEXICO

[Legal guide](#) [Policy recommendations](#) [Executive summary](#)

[Guía legal](#) [Recomendaciones](#) [Resumen ejecutivo](#)





Legal Issues



Food Safety



Date Labeling



Liability



Food Waste
Law & Policy



Tax Incentives
& Barriers



Requirements
& Penalties



Govt. Grants
& Incentives

Tax Incentives

Choose a policy area ▾

Tax incentives

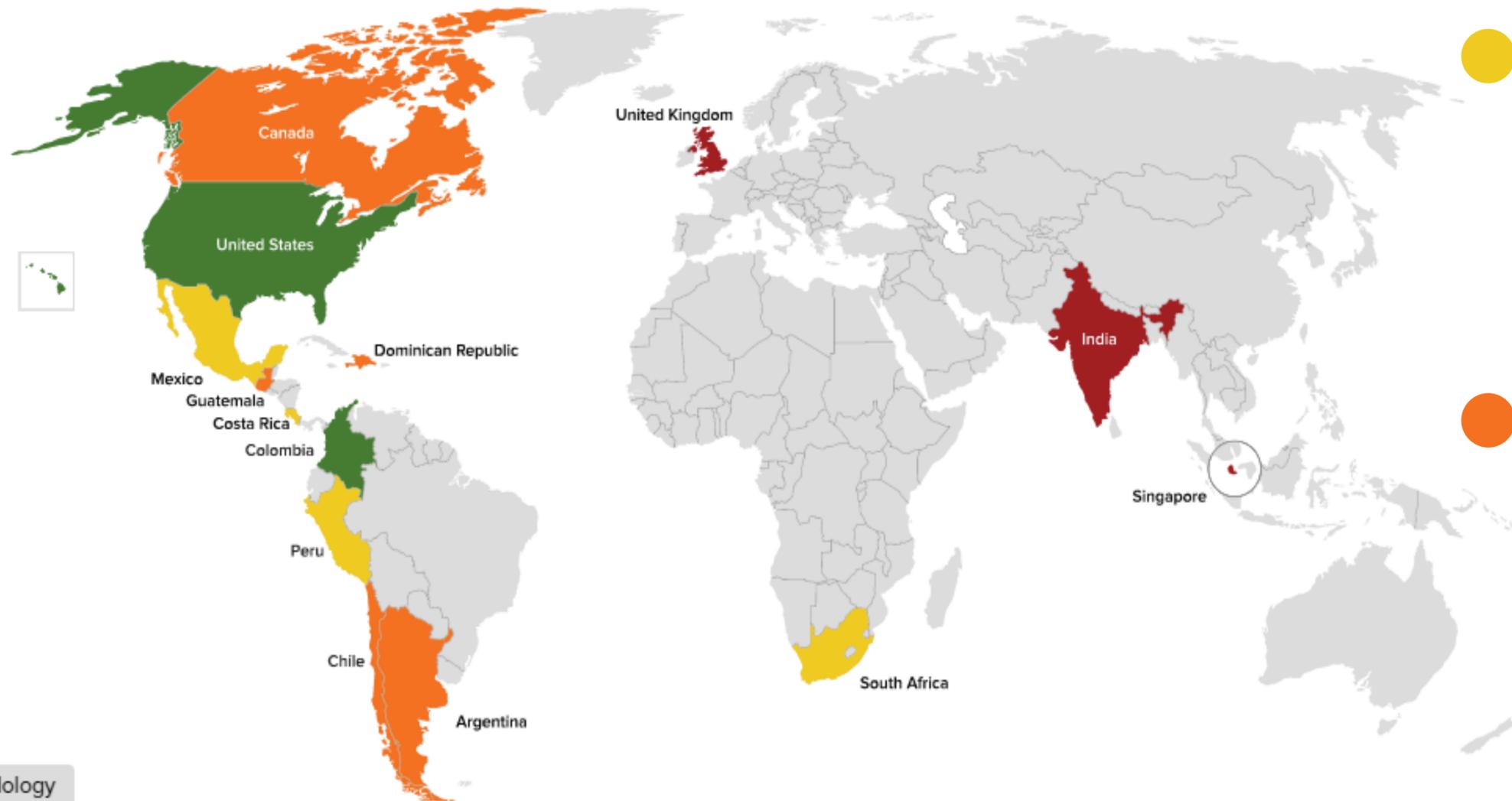
Transportation and storage costs are often cited as the main expenses that manufacturers, retailers, and restaurants need to overcome to donate food. Tax incentives, including deductions and credits, can help to offset these financial inputs and make donation a more attractive, affordable option.

-  Strong policy
-  Moderate policy
-  Limited policy
-  No policy

Methodology

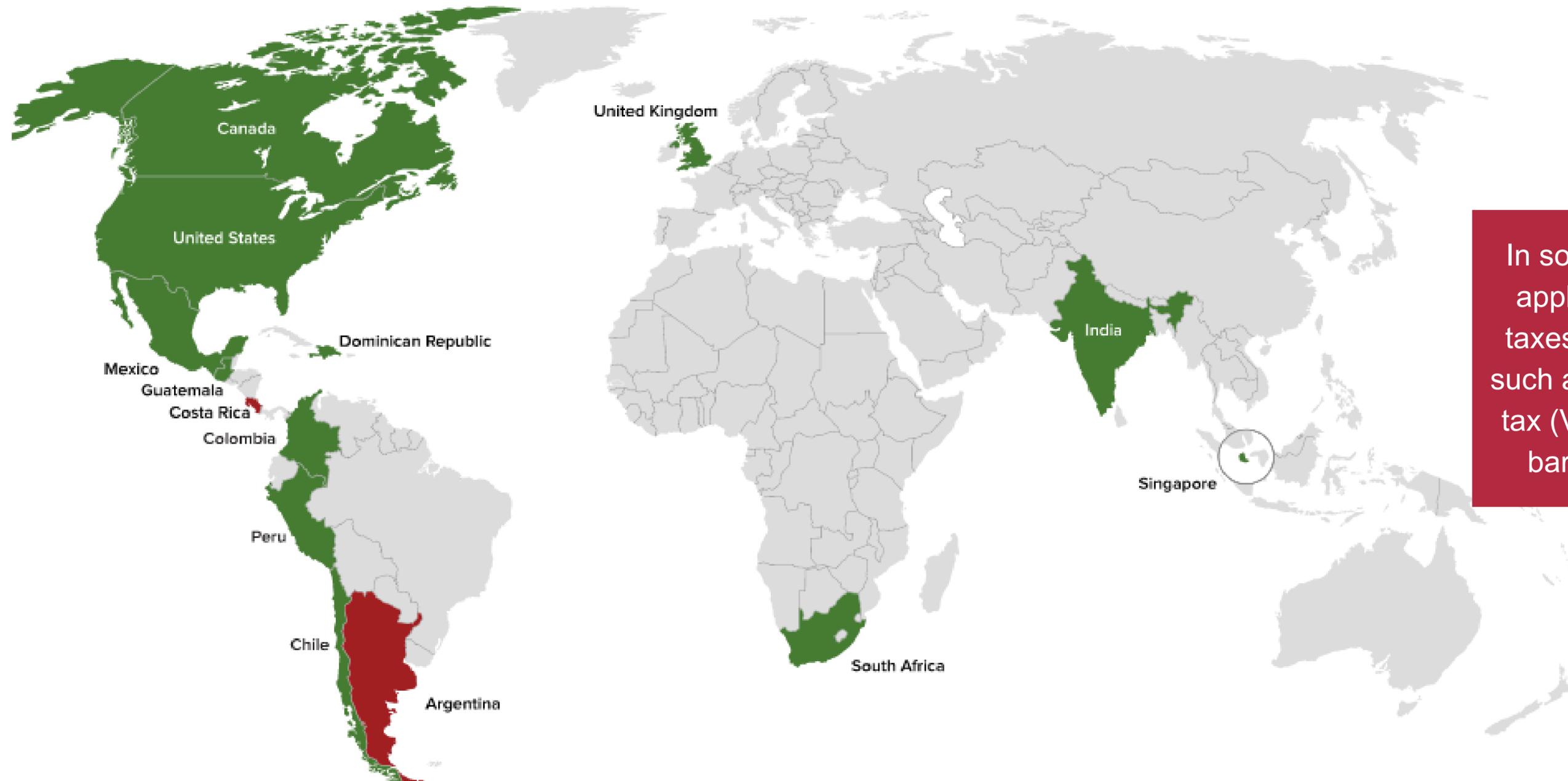
Quick-view food donation policy atlas

Roll over or click countries for more information



-  **Strong policy:** Government offers tax deductions and/or tax credits specifically for in-kind food donations made to qualifying institutions. Such benefits effectively position donation as an economical alternative to discarding food. There is no cap on the benefit based on the donor's revenue, or the cap is over 10 percent of the donor's annual revenue.
-  **Moderate policy:** Government offers tax deductions and/or tax credits for food donations made to food recovery organizations. While the valuation of the donated food enables donors to claim a practical benefit, the benefit cap or limit is too low to offset the costs of donation (below 10 percent of the donor's annual revenue).
-  **Limited Policy:** Government offers tax deductions and/or tax credits for in-kind food donations made to food recovery organizations. However, valuation of the donated food prevents food donors from actually receiving any monetary benefit *and/or* the benefit cap is too low to provide an economic incentive (at 5 percent or below of the donor's annual revenue).
-  **No policy:** Government does not offer tax benefits that apply to in-kind food donations.

Tax Barriers



In some countries, the application of certain taxes to donated food, such as the value-added tax (VAT), can create a barrier to donation.



Key Issues in Tax Policy

- Tax incentives **do not apply** to in-kind donations of food
- Tax incentives exist, but **caps** are too restrictive
- **Valuation** of donated food is unclear or too low
- Incentives only apply to food that is donated for free and **neglects innovative models**
- Application of **value-added tax (VAT) to food donation** may serve as an economic barrier to donation

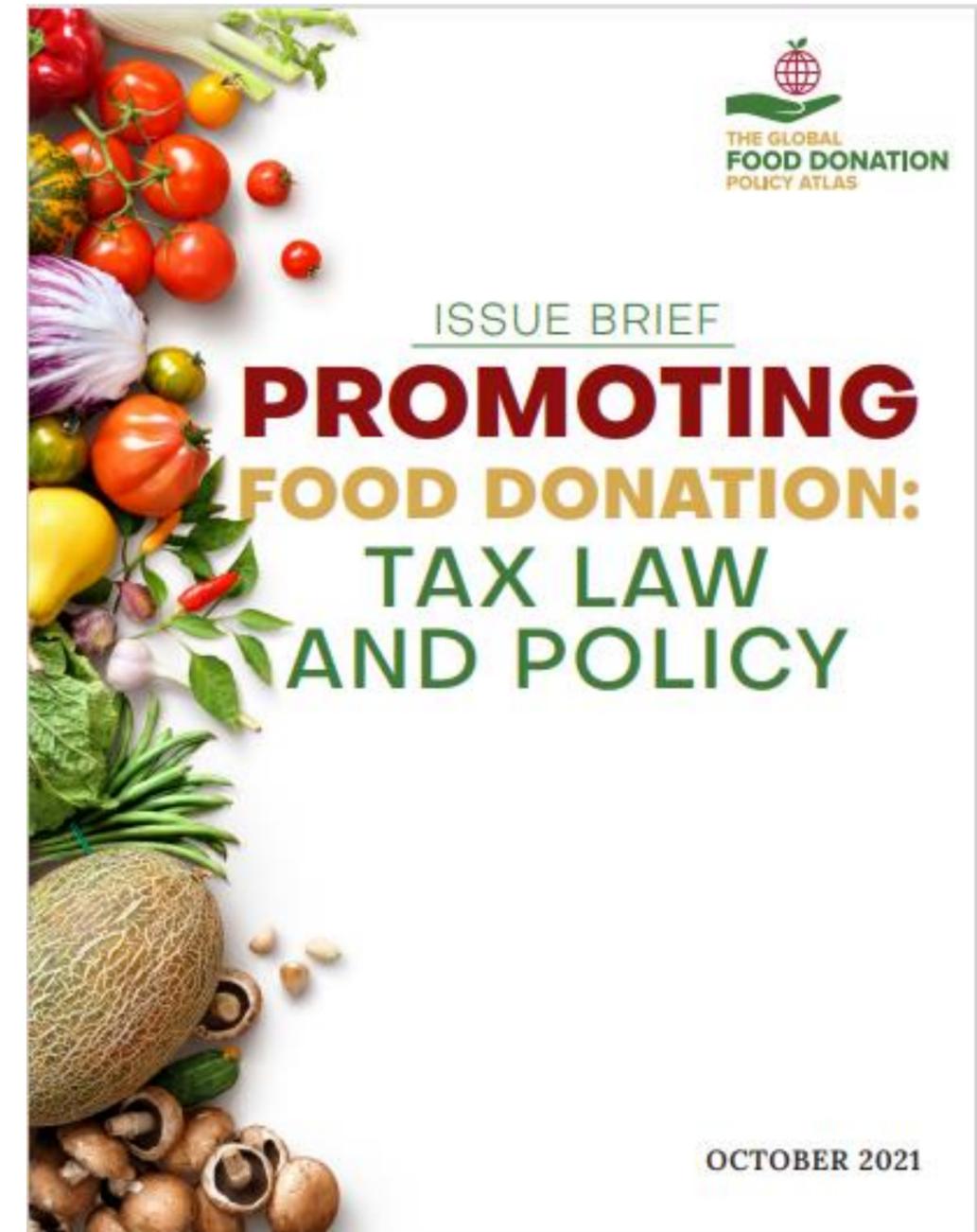


Today's Discussion

- **Moderated discussion with speakers**
 - Discussion of **best practices, challenges** and **policy opportunities** regarding tax policies and considerations to address food waste, food recovery and donation.
- Questions and **dialogue from attendees.**
 - Use the Q&A function, chat box, or “raise hand” to be unmuted and speak.

Thank You!!

- Upcoming webinars – food safety for donations, food waste penalties & donation requirements
 - February 2022 and April 2022
- Access our tax policy for food donations issue brief online¹
- With questions, ideas, and suggestions on this session and the series, email **Regan Plekenpol** at **rplekenpol@law.harvard.edu**



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The Global Food Donation Policy Atlas was made possible through funding by the Walmart Foundation. The findings, conclusions, and recommendations presented on this website and in materials contained therein are those of the Harvard Law School Food Law and Policy Clinic alone and do not necessarily reflect the opinions of the Walmart Foundation.

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CHECK OUT THE ATLAS MAP

<https://atlas.foodbanking.org/>

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