STATE OF NEW YORK

8719

IN SENATE

January 7, 2026

Introduced by Sen. HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to establishing a tax credit for food service establishment donations to food pantries

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 210-B of the tax law is amended by adding a new subdivision 63 to read as follows:

63. Credit for food service establishment donations to food pantries. (a) Allowance of credit. In the case of a taxpayer that is a food service establishment, there shall be allowed a credit, to be computed as hereinafter provided against the tax imposed by this article for taxable years beginning on and after January first, two thousand twenty-seven. The amount of the credit shall be fifty percent of the marketed value of the taxpayer's qualified donations up to seven dollars per qualified donation made to any eligible community-based organization during the taxable year, not to exceed ten thousand dollars total per taxable year.

(b) Definitions. For the purposes of this subdivision, the following terms shall have the following meanings:

(i) "Food service establishment" means a taxpayer whose federal gross income from prepared food sales for the taxable year is at least half of such taxpayer's federal gross income. Such taxpayer may be a corporation, partnership, or individual.

(ii) "Qualified donation" means a donation of a prepared meal adhering to the standards of the most recent edition of the Dietary Guidelines for Americans required by 7 U.S.C. § 5341. A qualified donation shall not be transferred by the eligible food service establishment to the eligible community-based organization in exchange for money, other property, or services.

(iii) "Eligible community-based organization" means any program operating within this state that accepts or distributes prepared meals and has qualified for tax exemption under section 501(c)(3) of the internal revenue code.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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(iv) "Marketed value" means the cost of a prepared meal offered for sale to the public.

(c) Record of donation. (i) To claim a credit under this subdivision, a taxpayer must get and keep a receipt from the eligible community-based organization showing: (1) the name of the eligible community-based organization; (2) the date and location of the qualified donation; and (3) a reasonably detailed description of the qualified donation.

(ii) A letter or other written communication from the eligible community-based organization acknowledging receipt of the contribution and containing the information in clauses one, two, and three of subparagraph (i) of this paragraph shall serve as a receipt.

(d) Application of credit. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

(e) Authority to issue tax credit. Any city in this state having a population of one million or more inhabitants, acting through its local legislative body, is hereby authorized and empowered to adopt and amend local laws and rules offering a tax credit according to the provisions in this section for the city personal income tax under article thirty of this chapter.

§ 2. This act shall take effect immediately.