

2019 Form OR-CROP

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(Rev. 11-12-19, ver. 01)

Oregon Department of Revenue



Office use only

Crop Donation Tax Credit

Oregon Revised Statutes (ORS) 315.154 and 315.156

Name of grower	Social Security number (SSN) - -	Fed. emp. id. no. (FEIN) -	Phone () -
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, and I grow this food primarily for sale.

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.	B.	C.	D.	E.
	Description of crop donated	Date donated	Quantity of donation	Wholesale market price	Wholesale value
1A.					
	<i>(multiply column C x column D)</i>				
1B.	<input type="text" value="///"/>	1C. <input type="text"/>	1D. <input type="text" value="."/>	1E. <input type="text" value="."/>	
2A.					
	<i>(multiply column C x column D)</i>				
2B.	<input type="text" value="///"/>	2C. <input type="text"/>	2D. <input type="text" value="."/>	2E. <input type="text" value="."/>	
3A.					
	<i>(multiply column C x column D)</i>				
3B.	<input type="text" value="///"/>	3C. <input type="text"/>	3D. <input type="text" value="."/>	3E. <input type="text" value="."/>	
4A.					
	<i>(multiply column C x column D)</i>				
4B.	<input type="text" value="///"/>	4C. <input type="text"/>	4D. <input type="text" value="."/>	4E. <input type="text" value="."/>	
5A.					
	<i>(multiply column C x column D)</i>				
5B.	<input type="text" value="///"/>	5C. <input type="text"/>	5D. <input type="text" value="."/>	5E. <input type="text" value="."/>	
6A.					
	<i>(multiply column C x column D)</i>				
6B.	<input type="text" value="///"/>	6C. <input type="text"/>	6D. <input type="text" value="."/>	6E. <input type="text" value="."/>	

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7. Total wholesale value (add column E, lines 1-6) 7.

8. Credit percentage 8. × 0.15

9. **Credit amount.** Multiply line 7 by line 8 and round to the nearest dollar.

Use code 843 and claim on Schedule OR-ASC or OR-ASC-NP, or OR-ASC-CORP.

Form OR-40-N and Form OR-40-P filers, multiply your credit by your Oregon percentage 9. .00

Signature of grower

X

Date

/ /

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

Name of organization receiving donation Phone

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 as defined by Internal Revenue Code Section 501(c)(3).

Signature of official receiving donation

X

Name of official receiving donation

Date

Don't include this form with your Oregon return. Keep it with your tax records.

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 aren't 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 15 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 at \$0.10/lb.
 $5,000 \times 0.10 = \$500$ (market value)
 $15\% (0.15) \times \$500 = \75 (credit allowed)

Don't fill cents in the credit amount (line 9). You **must** round cents to the nearest dollar amount for the credit that will be entered on your tax return. For example, \$99.49 becomes \$99, and \$99.50 becomes \$100.

How to claim the credit

Keep Form OR-CROP 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. Using code 843, individual filers claim the credit on Schedule OR-ASC or OR-ASC-NP and corporation filers claim the credit on Schedule OR-ASC-CORP.

Part-year resident and nonresident individuals. You are allowed the credit subject to the same limitations as a credit allowed to a resident. Prorate the credit by multiplying your total credit by your Oregon percentage to figure the amount you can claim on your Schedule OR-ASC-NP.

Carryforward. Your credit can't be more than your tax liability for Oregon. You can carry forward any unused credit for the next three years. If the credit carryforward isn't used within three years, it's lost.

Do you have questions or need help?

www.oregon.gov/dor
(503) 378-4988 or (800) 356-4222
questions.dor@oregon.gov

Contact us for ADA accommodations or assistance in other languages.