



**Northern Illinois
Food Bank**

**providing food assistance
providing food assistance
for your community**

FOR IMMEDIATE RELEASE

For more information, contact:

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CONGRESS CONSIDERS CRITICAL TAX LEGISLATION TO HELP HUNGRY AMERICANS ACCESS MORE FOOD

Charitable Incentive Provisions Would Dramatically Increase Charitable Donations

ST. CHARLES, ILLINOIS – (APRIL 24, 2006) – Congress is currently considering critical tax legislation, the Tax Extension Reconciliation Act of 2005 (H.R. 4297), that would provide an incentive for more businesses to make charitable donations, ultimately providing millions additional meals for low-income Americans.

The Senate Finance Committee approved a tax reconciliation bill in November 2005 that contains numerous charitable giving provisions, including the Good Samaritan Hunger Relief Tax Incentive Act (S. 94). The provisions in the Senate tax bill would provide an enhanced tax deduction for all business taxpayers—including large companies and small businesses—that is equal to the fair market value or twice the taxpayer's cost or basis (whichever is less) of the food donation. The House version of the tax reconciliation bill (H.R. 4297) currently does not include the charitable tax provisions, and a Conference Committee is expected to reach an agreement on a final bill in the next few weeks.

"With more than 38 million Americans living on the brink of hunger," said H. Dennis Smith, Executive Director of Northern Illinois Food Bank. "According to the US Census data, the number of people living at or below poverty level in the 13-county area served by NIFB has grown to 262,465. We can consider all of these individuals at risk of being food insecure. In order for NIFB to continue meeting these ever-increasing demands, we must access more food. It is critical for businesses to have strong incentives to make charitable donations like those included in the Senate version of the tax reconciliation bill."

The Senate version of the bill would allow business taxpayers who typically use a cash method of accounting, such as farmers, to estimate 25 percent of the fair market value of the donated product to determine its costs or basis. The important charitable provisions for increased food and grocery product donations are in Section 203 of H.R. 4297.

"For several years, we have seen Congress debate the passage of a charitable tax incentive," said Vicki Escarra, president and CEO of America's Second Harvest—The Nation's Food Bank Network. "Now is the time to cast a vote to help low-income Americans access more food."

Northern Illinois Food Bank, a member of America's Second Harvest – The Nation's Food Bank Network, acquires donated food from retailers, manufacturers, corporations, and community resources and distributes it through its network of over 520 food pantries, shelters, soup kitchens, and other nonprofit food assistance sites to help the 262,465 people living in poverty in 13 northern Illinois counties including Boone, DeKalb, DuPage, Grundy, Kane, Kankakee, Kendall, Lake, McHenry, Ogle, Stephenson, Will, and Winnebago Counties. Northern Illinois Food Bank has been committed to helping feed hungry people for more than 20 years. For more information on NIFB, please call 630.443.6910 or visit www.northernilfoodbank.org.

-MORE-



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America's Second Harvest--The Nation's Food Bank Network is the largest charitable domestic hunger-relief organization in the country with a Network of more than 200 Member food banks and food-rescue organizations serving all 50 states, the District of Columbia and Puerto Rico. The America's Second Harvest Network secures and distributes more than 2 billion pounds of donated food and grocery products annually; and supports approximately 50,000 local charitable agencies operating more than 94,000 programs including food pantries, soup kitchens, emergency shelters, after-school programs and Kids Cafes. Last year, the America's Second Harvest Network provided food assistance to more than 25 million low-income hungry people in the United States, including nearly 9 million children and nearly 3 million seniors. For more on the America's Second Harvest Network, please visit www.secondharvest.org.

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