



## Protecting Surplus Food Donations: Why It Matters

### The Problem

A drafting error in the *One Big Beautiful Bill Act (OBBBA)* unintentionally discourages companies from donating surplus food:

- Businesses will still qualify for deductions if they throw food away.
- But many will no longer qualify for charitable deductions when they donate food.
- This flips the incentive — making it **cheaper to waste food than to donate it**.

### Why It Matters

- **Financial Fairness:** Businesses already absorb costs to donate food – refrigeration, storage, coordination, and compliance. Losing the charitable deduction makes donating harder to justify on tight margins.
- **Operational Impact:** Large C-corps create the scale that sustains food rescue networks. If they pull back, smaller operators lose access to distribution, and local food banks lose critical supply.
- **Reputation:** Customers, employees, and shareholders expect companies to manage surplus food responsibly. Pulling back could undercut trust and brand equity.
- **Level Playing Field:** The tax code should not penalize companies for donating. This is about correcting an unintended error, not creating new incentives.

### The Scale of What's at Risk

- Food Donation Connection helps rescue **60+ million pounds of food each year** through **20,000+ restaurant and retail locations nationwide**.
- Whole Foods donated **34.5 million meals in 2024** through FDC, supporting over 1,000 programs.
- Darden has donated **146 million pounds of food** through its Harvest program, enabling nonprofits to redirect resources to housing, healthcare, and job training.

### The Solution

A **narrow technical correction** will fix the problem:

- Exempts surplus food donations from the OBBBA's 1% charitable floor.
- Preserves the incentive structure businesses depend on.
- Bipartisan precedent – Congress has made similar technical fixes before.
- **Little to no cost to taxpayers**, but protects millions of meals and a nationwide food rescue system.

### Why Join the Coalition

- Protect your company's ability to donate surplus food without being penalized.
- Ensure the food rescue system your business relies on continues to function.
- Align with an industry-led, bipartisan, common-sense solution.
- Show leadership among peers and trade associations committed to efficiency, fairness, and community impact.

**Join the Coalition to Protect Food Donations** to keep good food feeding families – not landfills.