



FOOD FOR LIFE CANADA INC.

POLICY CATEGORY	GOVERNANCE
POLICY NUMBER	7
TITLE OF POLICY	<u>Receipt Policy for Agricultural Producers</u>
APPROVED BY	BOARD OF DIRECTORS
DATE OF APPROVAL	May 12, 2010
REVISION DATE	

Receipt Policy for Agricultural Producers

Refresh Foods will issue an acknowledgement letter for all donations of food whether a tax receipt is requested or not. Growers are advised to consult their tax professional as to whether it is advantageous to the grower to require an Income Tax Receipt or not. Growers will be provided with Canada Revenue Agency Policy Commentary CPC-018 when an agreement is signed. Issuing a tax receipt is neither beneficial nor detrimental to Refresh Foods.

In order to issue an Income Tax Receipt Refresh Foods will require growers to provide:

1. A Farm Business Registration number
2. The name registered for the farm Business
3. Provide a minimum donation of 50 lbs of an agricultural commodity such as: fruits, vegetables, meats, dairy products etc.

ReFresh Foods will value the food at fair market value and will provide a donation receipt. The fair market value of the food can be determined by the sources listed below. Annual donations over \$1,000 will require the valuations in writing.

- Marketing board quoted prices
- Grower associations quoted prices
- Provincial or Federal government sources

Tax receipts will be made in the name on the farm only.

In the case of a discrepancy between quoted valuations, an average will be taken. If an average is not considered fair by the grower, the Board Chair or Treasurer will arbitrate the valuation on behalf of Refresh Foods.

Process for Income Tax Receipt Issuance

1. Grower will provide ReFresh Foods with current value of crop and the number of pounds being donated so total value of donation can be calculated.
2. Grower will provide the crop valuation and the source of the valuation.
3. Refresh Foods will issue an acknowledgement letter with or without and Income Tax Receipt annually by February 28th of the subsequent year or as requested by the grower.