



FOOD FOR LIFE CANADA CHARITABLE CORPORATION

POLICY CATEGORY	BOARD GOVERNANCE
POLICY NUMBER	BG17
TITLE OF POLICY	RECEIPT POLICY FOR AGRICULTURAL PRODUCERS
APPROVED BY	BOARD OF DIRECTORS
DATE OF APPROVAL	MAY 12, 2010
REVISION DATE	NOVEMBER, 2015

Receipt Policy for Agricultural Producers

Food for Life (“FFL”) 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 The Ontario Ministry of Finance Policy “The Community Food Program Donation Tax Credit”

<http://www.fin.gov.on.ca/en/credit/cfpdtdc/> when an agreement is signed. Issuing a tax receipt is neither beneficial nor detrimental to Food for Life.

In order to issue an Income Tax Receipt Food for Life will require growers to provide:

1. A Farm Business Registration number
2. The name registered for the Farm Business
3. Provide a donation of an agricultural commodity such as: fruits, vegetables, meats, dairy products etc., with a minimum valuation of \$50
4. Income Tax Receipts for donations valued at less than \$50 will be provided by request only.

FFL will value the food at fair market value Canada Revenue Agency “Determining fair market value of gifts in kind (non-cash gifts)” <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtnng/rcpts/dtrmnmfv-eng.html> 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 Food for Life.

Process for Income Tax Receipt Issuance

1. Grower will provide FFL 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. FFL will issue an acknowledgement letter with or without an Income Tax Receipt annually by February 28th of the subsequent year or as requested by the grower.