

Please Support HB23-1108 (Rep. Weissman / Sen. Fields.)

Concerning Tax Policies Related to the Accessibility of Food

WHAT THE BILL DOES

- **“De-couple” from the federal income tax “business meals deduction” (26 U.S.C. § 274).**
 - Because Colorado is a “dynamic conformity” state for income tax purposes, Colorado taxpayers collectively pay for the cost of this deduction just because it is in the federal tax code, even though it was never affirmatively adopted by Colorado’s legislature. (§§ 3 and 4 of the bill)
- **Increase funding to existing food access efforts**
 - Extend existing efforts through CDPHE, in partnership with non-profit organizations, to increase access to Colorado-grown fruits and vegetables particularly among low-income populations in Colorado. (§2 of the bill).
 - Extend and further funding existing efforts through the Department of Agriculture’s “Community Food Access Program” to provide technical and financial support to Colorado small food retailers and Colorado small family farms. (§6 of the bill).
- **Create a new, targeted state income tax credit to further support food access efforts**
 - To further support efforts through the Community Food Access Program, the Department of Agriculture and the Department of Revenue will jointly manage this new tax credit to provide support to program participants once grant dollars are depleted. (§5 of the bill)

BRIEF HISTORY RELEVANT TO THIS BILL

- **2022 Long Bill** ~ \$225K appropriation “to provide healthy eating program incentives among Colorado’s low-income populations”.
 - This funding is eligible to draw down federal matching dollars from the “Gus Schumacher Nutrition Incentive Program”. However, Colorado does not fund state efforts to the full extent possible relative to federal matching.
- **HB22-1380** - \$8M appropriation from ARPA federal relief dollars to launch the Community Food Access Program
 - This was bipartisan legislation (Gonzales-Gutierrez & Pelton; Bridges & Coram)
 - Under ARPA, this must be obligated by 12/31/24 and expended by 12/31/26.

BACKGROUND ON ACCESS TO FOOD

- **38% of Coloradans** (incl. 55% of Latino/a Coloradans) worry about affording food, and 16% of Coloradans (incl. 22% of Latino/a Coloradans) have skipped meals because they couldn’t afford food (*Colorado Health Foundation 2022*)
- **33% of Coloradans** lack reliable access to nutritious food (*Hunger Free Colorado 2021*)
- **7.5% of older adults** face hunger in Colorado, forcing them to make choices between purchasing groceries or medication (*The State of Senior Hunger in America 2020 & 2022*)
- **A quarter of young adults in rural areas (25.4%)** and a fifth of black Coloradans (22.2%) experienced food insecurity in 2019. (*Colorado Health Institute*)
- **474,420** = Food Insecure Population in Colorado (*Feeding America 2020*)