



## **FREQUENTLY ASKED QUESTIONS**

### **Why is the Pension Protection Act of 2006 important to businesses?**

The Pension Protection Act of 2006 included an enhanced tax deduction for food donations that enables, for the first time, small businesses to reap the same benefits as large corporations.

### **Why is the Pension Protection Act of 2006 important to food banks?**

It is expected to increase food donations to charitable organizations, including food banks.

### **How much is the enhanced tax deduction?**

The enhanced tax deduction is equal to the basis (cost) plus one-half the fair market value appreciation, not to exceed twice the cost.

### **How much food is the legislation expected to generate?**

The legislation is expected to bring in more than \$250 million worth of new meals to the charitable sector.

### **When was the legislation passed?**

The Pension Protection Act of 2006 (Public Law 109-280, Section 1202) passed the House on July 28<sup>th</sup> (H.R. 4) and the Senate on August 3<sup>rd</sup>. President Bush signed the bill into law on August 17, 2006.

### **How long does it last?**

The bill sunsets at 24 months and applies to donations made from January 2006 through December 31, 2007.

### **Who supported the legislation?**

The legislation is supported by the major organizations in the agriculture, food and grocery and nonprofit sectors including: American Farm Bureau, America's Second Harvest—The Nation's Food Bank Network, Council of Chain Restaurants, Food Marketing Institute, Grocery Manufacturers of America, National Cattlemen's Beef Association, National Farmers Union, National Milk Producers Federation, National Restaurant Association and Salvation Army.



**Where can I get more information?**

By visiting [www.secondharvest.org](http://www.secondharvest.org) or contacting Carrie Calvert, America's Second Harvest's federal policy associate, at 312.641.6880 or [ccalvert@secondharvest.org](mailto:ccalvert@secondharvest.org).