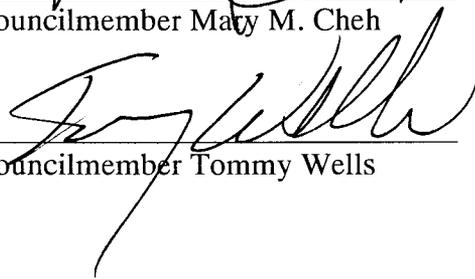


1 
2 Councilmember Mary M. Cheh


Councilmember David Grosso

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4 
5 Councilmember Tommy Wells
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9

10 A BILL
11
12 _____
13

14 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
15
16 _____
17

18 Councilmembers Grosso and Cheh introduced the following bill, which was referred to the
19 Committee on _____.
20
21

22 An Bill To amend the Food Production and Urban Gardens Program Act of 1986 to establish an
23 urban farming land leasing initiative; to establish a nonrefundable tax credit for food
24 commodity donations made to a District of Columbia food bank or shelter; and to
25 establish a real property tax abatement for unimproved real property leased for the
26 purpose of small-scale urban farming.
27

28 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
29 act may be cited as the “D.C. Urban Farming and Food Security Act of 2014”.
30

31 Sec. 2. Section 48-401 of the D.C. Official Code is amended to add the following:

32 “(4) “Farm cooperative” means is a cooperative where production resources for farming
33 such as land and machinery are pooled and jointly held by members.

34 “(5) “Independent farm” means a District farm that produces fruits, vegetables, seeds,
35 and flora for sale in such quantities so as to be recognized in the community as a farm; is
36 managed by the operator; and has a substantial amount of labor provided by the operator.

37 “(6) “Urban agriculture” or “Urban farming” means the practice of growing, cultivating,

1 processing, and distributing vegetables, fruits, grains, mushrooms, honey, herbs, nuts, seeds, and
2 rootstock within the District of Columbia.”

3 Sec. 3. Chapter 4 of Title 48 of the District of Columbia Official Code is amended by
4 adding the new section 48-404 to read as follows:

5 “48-404. Urban Farming Land Initiative.

6 “(a) By February 1, 2015, the Mayor shall identify at least twenty-five District-owned
7 vacant lots that can potentially be used for successful urban farming ventures. At minimum,
8 identified lots should meet the following criteria:

9 “(1) A minimum 2500 square feet; and

10 “(2) Have no pending agreements for development or sale for the following
11 three years.

12 “(b) By February 1, 2015, the Mayor shall establish a land leasing initiative whereby
13 qualified District applicants will be selected to develop certain District-owned vacant lots
14 identified in subsection (a) for the purpose of urban agriculture. All lease agreements entered
15 into under this initiative shall be for a term of at least three years. Applicants must meet the
16 following criteria to be considered:

17 “(1) The applicant must be a resident of the District of Columbia for at least one
18 (1) year prior to application;

19 “(2) The applicant shall have at least one (1) year of successful experience in
20 agricultural production either as the sole farmer, an employee, a volunteer, or a significant
21 partner of a farmer;

22 “(3) The applicant shall not owe the District more than \$100 in outstanding fines,
23 penalties, or interest assessed pursuant to the outlined acts of § 47-2862(a)(1) and § 47-2862(b).

1 “(4) The applicant shall have no outstanding code violations on property or
2 properties currently owned by the applicant.

3 “(b) Any lease entered into pursuant to subsection (b) with an independent farm or farm
4 cooperative may permit the sale of fresh fruits and vegetables on the leased land, off the leased
5 land, or both.

6 “(c) Property leased pursuant to subsection (b) of this section shall be exempt from
7 real property taxation or possessory interest taxation.

8 “(d) The Mayor shall report to the Council annually on the status of the land leasing
9 initiative to include, but be limited to:

10 “(1) The number of active urban gardens in the District of Columbia;

11 “(2) The names of the participants of the initiative;

12 “(3) Any educational or community programming or events hosted on the leased
13 lots during that calendar year; and

14 “(4) The amount of produce harvested by the participants during the calendar
15 year.”

16

17 Sec. 4. From Farm to Food Donation Tax Credit.

18 (a) Title 47 of the District of Columbia Official Code is amended as follows:

19 (1) The table of contents for Chapter 18 is amended by inserting the section
20 designation “47-1806.12. Tax on residents and nonresidents – Credits – Tax Credit for Farm to
21 Food Donation.”.

22 (2) Chapter 18 is amended by adding the new section 47-1806.12 to read as
23 follows:

1 “§ 47-1806.12. Tax Credit for Farm to Food Donations.

2 “(a) For the purposes of this section, the term “food commodity” means any
3 vegetables, fruits, grains, mushrooms, honey, herbs, nuts, seeds, and rootstock that are intended
4 to be used as food in its perishable state and are approved by regulatory authorities.

5 “(b) After January 1, 2015, a taxpayer may claim a nonrefundable credit against
6 taxes imposed by this subchapter for food commodity donations made during the tax year to a
7 District of Columbia food bank or shelter recognized as a tax-exempt organization pursuant to 26
8 U.S.C. § 501(c)(3).

9 “(c) The credit claimed in subsection (a) shall equal 50% of the value of the
10 contribution and shall not to exceed \$2,500 per taxpayer per tax year. If the taxpayer elects to
11 claim the credit for a contribution, no deduction under § 47-1803.03(b) shall be allowable on
12 account of the contribution.

13 “(d) The donated food commodity cannot be damaged or out-of-condition and
14 declared to be unfit for human consumption by a federal or local health official. A food
15 commodity that meets the requirements for donated foods pursuant to the Federal Emergency
16 Food Assistance Program (7 U.S.C § 7508) satisfies this requirement.

17 “(e) If the amount of a tax credit under this section exceeds a taxpayer’s tax
18 liability under this chapter for a tax year, the amount of the tax credit that exceeds the taxpayer’s
19 income liability may be carried forward for a period that does not exceed the next five tax years.

20 “(f) A taxpayer claiming the tax credit shall provide documentation supporting
21 the tax credit claim in a form and manner prescribed by the Chief Financial Officer.

22 (3) The table of contents for Chapter 18 is amended by inserting the section
23 designation “47-1807.10. Tax on Corporations and Financial Institutions – Credits – Tax Credit

1 for Farm to Food Donation.”.

2 (4) Chapter 18 is amended by adding the new section 47-1807.10 to read as
3 follows:

4 “§ 47-1807.10. Tax Credit for corporations that provide Farm to Food Donations.

5 “(a) For the purposes of this section, the term “food commodity” means any
6 vegetables, fruits, grains, mushrooms, honey, herbs, nuts, seeds, and rootstock that are intended
7 to be used as food in its perishable state and are approved by regulatory authorities.

8 “(b) After January 1, 2015, any qualified incorporated business under § 6-1504
9 may claim a nonrefundable credit against taxes imposed by this subchapter equal to 50% of the
10 value of food commodity donations made during the tax year to a District of Columbia food bank
11 or shelter recognized as a tax-exempt organization pursuant to 26 U.S.C. § 501(c)(3).

12 “(c) The credit shall not exceed \$5,000 per corporation per tax year and shall not
13 reduce the minimum tax liability under § 42-1807.02(b).

14 “(d) If the corporation elects to claim the credit for a contribution, no deduction
15 under § 47-1803.03(a)(8) shall be allowable on account of the contribution .

16 “(e) A corporation claiming the tax credit shall provide documentation supporting
17 the tax credit claim in a form and manner prescribed by the Chief Financial Officer.”

18 (5) The table of contents for Chapter 18 is amended by inserting the section
19 designation “47-1808.10. Tax on Unincorporated Businesses – Credits – Tax Credit for Farm to
20 Food Donation.”.

21 (6) Chapter 18 is amended by adding the new section 47-1808.10 to read as
22 follows:

23 “§ 47-1808.10. Tax Credit for unincorporated businesses that provide Farm to

1 Food Donations.

2 “(a) For the purposes of this section, the term “food commodity” means any
3 vegetables, fruits, grains, mushrooms, honey, herbs, nuts, seeds, and rootstock that are intended
4 to be used as food in its perishable state and are approved by regulatory authorities.

5 “(b) After January 1, 2015, any qualified unincorporated business under § 6-1504
6 may claim a nonrefundable credit against taxes imposed by this subchapter equal to 50% of the
7 value of food commodity donations made during the tax year to a District of Columbia food bank
8 or shelter recognized as a tax-exempt organization pursuant to 26 U.S.C. § 501(c)(3).

9 “(c) The credit shall not exceed \$5,000 per unincorporated business per tax year
10 and shall not reduce the minimum tax liability under § 42-1808.03(b).

11 “(d) If the unincorporated business elects to claim the credit for a contribution, no
12 deduction under § 47-1803.03(a)(8) shall be allowable on account of the contribution.

13 “(e) An unincorporated business claiming the tax credit shall provide
14 documentation supporting the tax credit claim in a form and manner prescribed by the Chief
15 Financial Officer.”

16

17 Sec. 5. Real Property Tax Abatement Initiative.

18 (a) Chapter 8 of Title 47 of the District of Columbia Official Code is amended by
19 adding the new section 47-868 to read as follows:

20 “§ 47-868. Tax deduction for leasing property for agriculture use.

21 “(a) If an owner of unimproved real property enters into a lease with an
22 unrelated party for the use of its real property for the purpose of producing food commodity (as
23 defined under § 47-1806.12) through small-scale urban farming, there shall be allowed a 50%

1 deduction from the real property tax imposed by § 47-811 on the portion of leased real property
2 actually used for small-scale farming; provided, that no tax deduction shall be allowed for the
3 real property that abuts other real property with common or related ownership.

4 “(b) In order to be eligible for the tax abatement under this section, any lease
5 agreement shall include, but is not limited to, all the following provisions, and the parties thereto
6 shall be in compliance therewith:

7 “(1) An initial term of not less than three years;

8 “(2) Active use and cultivation of at least 5,000 square feet of the real
9 property;

10 “(3) A requirement that the entire property subject to the lease shall be
11 dedicated toward agriculture use; and

12 “(4) A prohibition against any dwelling units (as defined in § 47-
13 813(d)(3)) on the real property.

14 “(c) For purposes of this section, unimproved real property shall mean land and
15 only structures thereon that directly support agricultural activity such as toolsheds, greenhouses,
16 and produce stands.

17 “(d) A real property owner claiming the tax abatement shall apply for and provide
18 documentation supporting the tax abatement claim in the form and manner as prescribed by the
19 Chief Financial Officer, and shall be subject to the provisions of §§ 47-1007 and 47-1009.”.

20

21 Sec. 6. Applicability.

22 (a) Section 3 of this bill shall apply to tax periods beginning after December 31, 2014.

23 (b) Section 4 of this bill shall apply to tax years beginning after September 30, 2014.