Tax Incentives for Food Donation

Provided your business is in the food industry, or produces large quantities of food, you may be missing out on significant tax deductions if you aren’t donating your surplus food.

While the best plan for your pockets and the planet is to maximize efficiency and prevent excess food production in the first place, extras are often unavoidable. For this reason, there are incentives to make it easy for businesses, small and large, to safely donate surplus.

For instance, in 2015 Congress passed the PATH Act, which includes an extension of enhanced deductions for food donations to smaller businesses and an increase of the cap on food-donation deductions to 15 percent of net income, up from 10 percent.

Additionally, many business that don’t donate because of liability concerns are usually not aware of the Good Samaritan Food Donation Act, which protects donors who supply food in good faith. So, if you have good food you want to donate, there are resources to help you in your effort.
Green Business Spotlight: JP Graphics

Above: Solar Panels on the roof of JP Graphics

JP Graphics is a certified woman-owned business, and one of the first certified Green Businesses in Santa Clara. City Staff interviewed Joan Escover, President of JP Graphics.

City Staff: Why did you decide to pursue the Green Business Certification?

Escover: One, I am an avid recycler and I always have been. But really, I started out with the solar panels. I installed them because of the incentives. This program, was a no brainer for me. Also, we do a lot of printing for the City of Milpitas, which requires 40% post-consumer recycled paper, so it was a logical thing to buy and start carrying it for everyone. All papers we use here have minimum 10% recycled content, all the way up to 100%.

City Staff: Was it an easy process to go through?

Escover: Yes. I’ve been certified for about 6 or 7 years now. From what I remember, it went into everything from your faucets to your lightbulbs to what kind of car your employees are driving. So, I remember it feeling like a lot at first, but it was actually easy once I started checking things off.

City Staff: What piece of advice would you give to an organization that is considering becoming Green Business Certified?

Escover: First of all, I think anyone that owns the building that they’re in needs to install solar panels on the roof. If you’re not taking advantage of the available rebates, you’re really missing out on an opportunity.

City Staff: What aspect of the certification was easiest for you?

Escover: Definitely the recycling of papers, but actually, the solar panels. During that downtime from ’08 I used every bit of knowledge I had just to stay in business. One of the things I did was put solar panels on this building, which was hard for my employees to understand given our financial situation, but in the end it helped us stay in business because of the rebates.

City Staff: How much of your energy needs do your solar panels provide you?

Escover: My bills were cut in half. On a summer’s day I would say we produce about 75% of our electricity needs. Since we don’t work weekends, it goes back to the grid, and then I get a check because I’m selling back that energy.

“Anyone that owns the building that they’re in needs to install solar panels on the roof.”
Your Future’s so Bright, You’ve Got to Go Solar

There are many great reasons to invest in photovoltaic (PV) systems, most commonly known as solar panels. Depending on the size of your system, you can significantly reduce your company’s electric bill by generating your own electricity. Sometimes you can even get paid to sell excess energy back to our City electric utility, Silicon Valley Power (SVP). What’s more, if you experience fluctuating cash flows, then producing your own electricity helps with the ability to predict and plan future budgets. A solar PV system can also protect you from any future rise in electricity rates. For these reasons, having solar panels may also increase the value of the property.

Solar PV system owners can also benefit from significant tax credits. The Federal Solar Tax Credit, or Investment Tax Credit (ITC) was extended by Congress, meaning your business could get 30% of the cost for the PV system as a tax credit until 2019. This rebate will be reduced to 26% in 2020, 22% in 2021 and a permanent 10% for commercial credit starting in 2022. Keep in mind, though, if you lease a system, the tax credits go to the installer.

Solar panels are a great way to demonstrate your company’s commitment to smart green choices. Lowering your utility bill is good for your bottom line. Remember, always get competitive quotes from reputable installers to assure the best deal for your business.

For additional information on solar panel systems, contact SVP at (408) 244-SAVE (7283)or savemoney@siliconvalleypower.com.

Your business could get 30% of the cost for a PV system as a tax credit...

Upcoming Events

Advanced Water Purification Center Tour
4190 Zanker Road, San Jose
Every Friday at 10 between July 21 and August 25, 2017

VERGE
Santa Clara Convention Center
Santa Clara, CA
September 19–21, 2017

CoolCalifornia.org
Simple steps for a sustainable future

Small Business Award Program
Applications due on November 1, 2017

California Coastal Cleanup Day
www.cleanacreek.org
September 16, 2017

Silicon Valley Innovation & Entrepreneurship Forum
Santa Clara Convention Center, Santa Clara, CA
Sept 28—29, 2017

Sustainability Expo 2017
October 5, 2017 - 7:00am to October 15, 2017 - 4:00pm
61st and Peña Station Denver, CO
Green Business Tips: Switch to LED Lighting

Changing out light bulbs might seem like a trivial detail, but day-to-day energy consumption can add up to have a significant impact. Switching T-12 fluorescent lighting with more efficient T-8 or T-5 fixtures, or incandescent, halogen, and compact fluorescent lamps (CFL) to light-emitting diode (LED) bulbs is an easy project that will make your business greener and save money in the long run.

In the case of LEDs, the upfront cost may be higher, but over time, they will save money on your electricity bill because they are more energy efficient than other types of light bulbs. A 60-watt incandescent light bulb can be replaced with an LED bulb that only consumes 10 watts for the same light output.

LEDs also save money on supplies and maintenance labor costs because they last longer. LEDs have been found to last 50,000 hours compared to the 10,000 of CFLs and the 2,000 of incandescent bulbs.

Lastly, LEDs have a much smaller environmental impact than other bulbs. Incandescent bulbs release 90% of their energy as heat, and CFLs contain mercury.

Green Businesses Bring Results

Talk is good, but what really counts are results. Being a Green Business brings results. Here’s what the California Green Business Program has done this year:

- Saved 835,334 metric tons of CO2 - the equivalent of planting 44,161 acres of urban trees a year for ten years. And with a savings of $3,083,277
- Saved 333,586,553 kilowatt-hours, with a totals savings of $33,798,990 - the equivalent of powering 30,616 houses for an entire year.
- Diverted 432,917 metric tons of waste from landfills, with a total savings of $58,759,955 - the equivalent to 54,691 garbage trucks of diverted waste.
- Saved 149,943,108 gallons of water with a total savings of $471,571 - the equivalent of 428 bathtubs of fresh drinking water every hour.
- Prevented 31,566 gallons of hazardous waste, with a total savings of $20,123 - the equivalent to 574 fifty-five gallon drums of hazardous waste.
- Saved 13,444 gallons of fuel with a total savings of $51,625 - the equivalent of moving 23 cars off the road.

Submit questions to be answered in the Green Business Tips section to Environment@SantaClaraCA.gov.

GO PAPERLESS!
To access or subscribe to this newsletter electronically, visit www.santaclaraca.gov/GreenBiz.

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