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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. ______

To amend the Internal Revenue Code of 1986 to establish a credit for prepared meal donations made to certain tax-exempt organizations.

IN THE HOUSE OF REPRESENTATIVES

Mr. LAHOOD introduced the following bill; which was referred to the Committee on ______________________________

A BILL

To amend the Internal Revenue Code of 1986 to establish a credit for prepared meal donations made to certain tax-exempt organizations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Meals for Communities Tax Credit Act".

SEC. 2. ESTABLISHMENT OF QUALIFIED PREPARED MEAL DONATION CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

"SEC. 45BB. QUALIFIED PREPARED MEAL DONATION CREDIT.

"(a) ALLOWANCE OF CREDIT.—For purposes of section 38, in the case of an eligible business, the qualified prepared meal donation credit determined under this section for the taxable year is an amount equal to 50 percent of the fair market value of all qualified prepared meal donations made by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) FAIR MARKET VALUE.—

"(A) IN GENERAL.—The fair market value with respect to any qualified prepared meal donation shall not exceed $14.

"(B) INFLATION ADJUSTMENT.—In the case of a taxable year beginning after 2026, the $14 amount in subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2025' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

"(2) MAXIMUM TOTAL CREDIT.—The credit determined under this section with respect to any taxpayer for any taxable year shall not exceed $50,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED PREPARED MEAL DONATION.—The term 'qualified prepared meal donation' means any charitable contribution (as defined in section 170(c)) of a prepared meal (as defined by the Secretary) to an organization which is described in section 501(c)(3) and is exempt from tax under section 501(a) (other than a private foundation, as defined in section 509(a), which is not an operating foundation, as defined in section 4942(j)(3)).

"(2) ELIGIBLE BUSINESS.—The term 'eligible business' means any restaurant or retail food establishment.

"(d) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any amount taken into account in determining the credit under this section.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section.''.

(b) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 of such Code is amended by striking ''plus'' at the end of paragraph (40), by striking the period at the end of paragraph (41) and inserting '', plus'', and by adding at the end the following new paragraph:

''(42) in the case of an eligible business (as defined in section 45BB(c)(2)), the qualified prepared meal donation credit determined under section 45BB(a).''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 45BB. Qualified prepared meal donation credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 2025.