



# Spoiler Alert

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#SaveFood4People  
@MySpoilerAlert



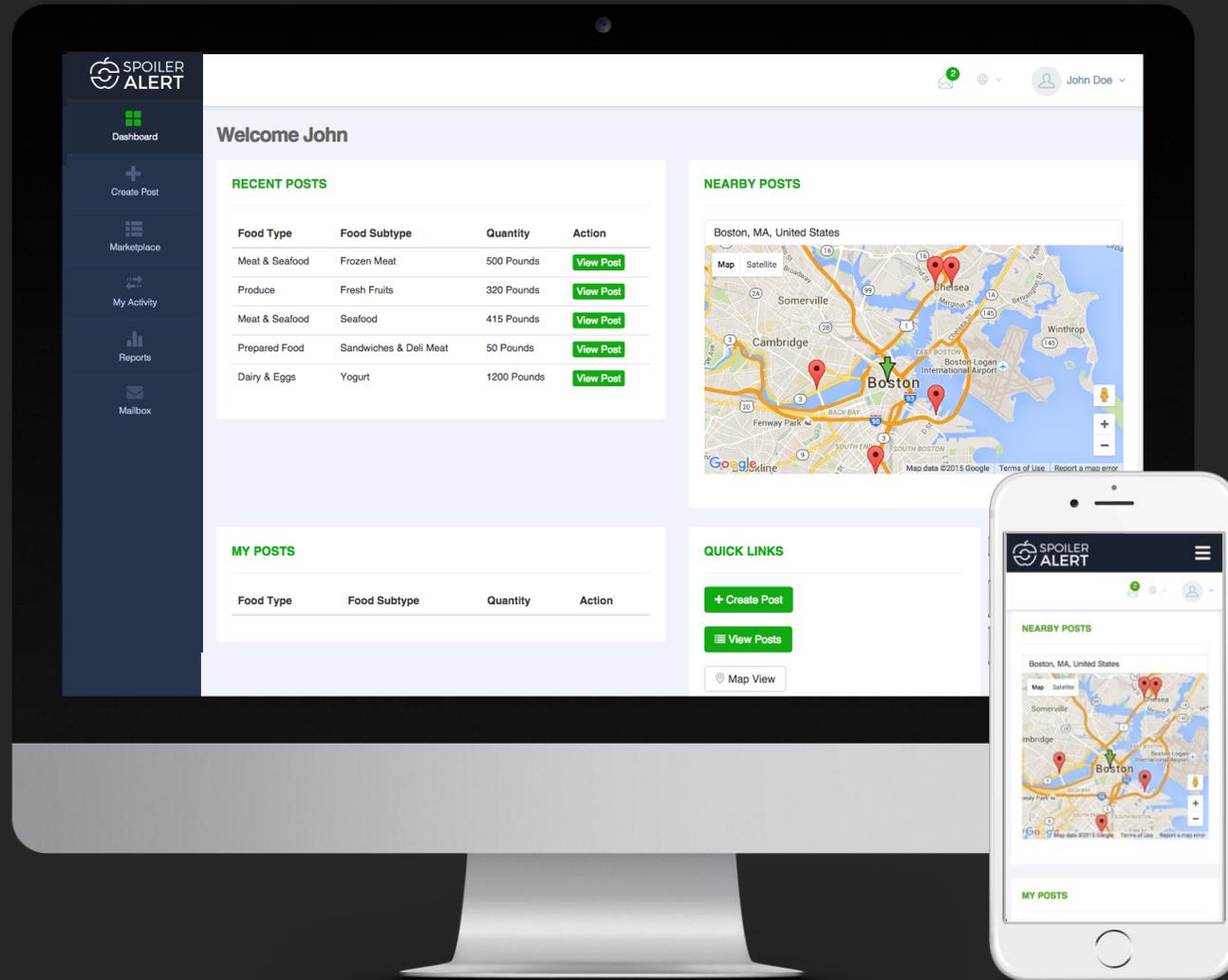
# LARGEST FOOD WASTE GENERATORS IN BOSTON



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# SPOILER ALERT

Real-time, self-service marketplace for unsold inventory and organic waste





# INTRODUCING ENTERPRISE

Advanced business tools for managing unsold inventory

**Marketplace**



**Enterprise  
Platform**



# ENTERPRISE

Wholesale Distributors | Manufacturers | Grocery Retailers

# SPOILER ALERT ENTERPRISE

Tools and data help businesses create and recover value from unsold inventory

## 1 TRACEABILITY

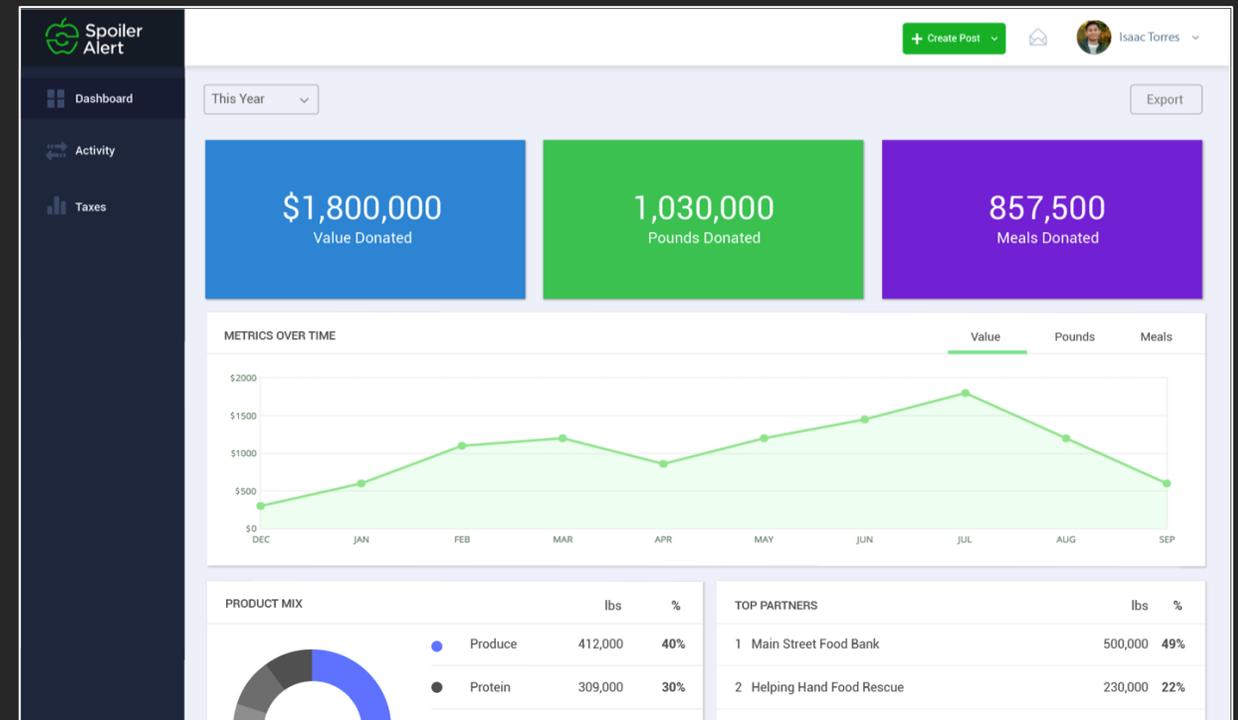
Inventory Management

## 2 ENHANCED TAX DEDUCTIONS

Automated Accounting

## 3 DATA, INSIGHTS & CSR

Reporting & Analytics





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5/25 Strawberries 4,700 lbs \$7,050 

5/25

**DONOR**

Frontier Farms

**RECIPIENT**

Fran's Kitchen

5/12

5/19

**SIGNATURE**

*John Peppers*

5/23

**PRINT**

5/25

Pasta

800 lbs

\$400

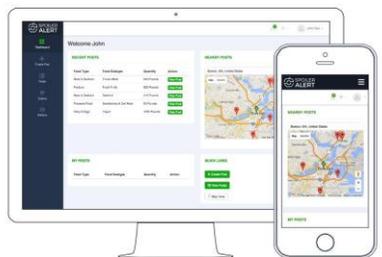


# GET STARTED TODAY

Visit us during the networking session or at our exhibit table for more information



Changing the way businesses manage their wasted food



Real-time B2B marketplace & reporting platform for food donations & discounted sales

foodspoileralert.com  
@MySpoilerAlert

## ENHANCED TAX DEDUCTIONS FOR FOOD DONATIONS

HOW THE DECEMBER 2015 LEGISLATION CAN HELP YOUR BUSINESS

**15%** When donating surplus food to 501(c)(3) nonprofits, Section 170(e)(3) of the U.S. Tax Code stipulates that businesses and farms are eligible for enhanced tax deductions, up to 15% of their net income.

In many cases, the tax deductions received from donating surplus product are greater than the tax shield that is earned from liquidating or disposing of the goods.

 This tax benefit comes at a time when Americans are increasingly looking to organizations' community engagement and environmental stewardship initiatives as drivers of their purchasing decisions.

Taking advantage of enhanced tax deductions is a great way to:



IMPROVE YOUR BOTTOM LINE



ATTRACT & RETAIN TALENT



IMPACT LOCAL NONPROFITS

HERE'S WHAT YOU NEED TO KNOW ABOUT HOW ENHANCED TAX DEDUCTIONS FIT INTO YOUR ORGANIZATION.

### WHICH DATA SHOULD I TRACK?

In order to quantify the potential tax benefits, businesses should track both the Fair Market Value ("FMV") and Cost Basis ("Cost").

**FMV:** The price at which comparable items are being sold elsewhere in the market.

**COST:** Cost of producing/acquiring the food (or 25% of FMV for certain farms and small businesses).

There are **two equations** for determining the deductible amount. Businesses can **deduct the lesser amount** of the two options below:

**Method 1:** Cost + 1/2 (FMV - Cost)

**Method 2:** Cost x 2

### HOW MUCH CAN I CLAIM?



**HERE'S AN EXAMPLE:** A distributor donates apples with an FMV of \$50. The cost basis (how much it costs the distributor to buy the apples) is \$10. The expected profit margin is \$40 (\$50 - \$10). The distributor can deduct the lesser of the following values:

**METHOD 1:** Cost + 1/2 (FMV - Cost)

$$\begin{matrix} \$10 \\ \$10 \end{matrix} + 1/2 \begin{matrix} \$10 & \$10 \\ \$10 & \$10 \end{matrix} = \begin{matrix} \$10 & \$10 \\ \$10 & \$10 \end{matrix}$$

**METHOD 2:** Cost x 2

$$\begin{matrix} \$10 \\ \$10 \end{matrix} \times 2 = \begin{matrix} \$10 & \$10 \end{matrix}$$

In this particular case, the distributor can deduct \$20, or twice the Cost.

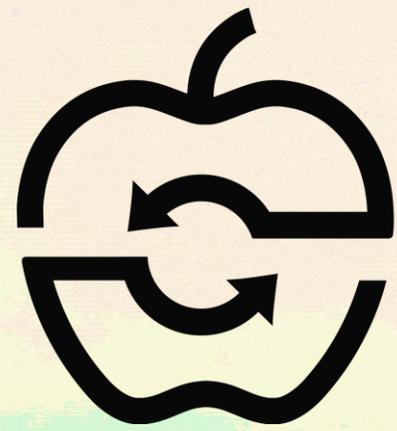
### WHERE CAN I FIND MORE INFORMATION?

**GOOD NEWS!** We're here to help. Sign up for Spoiler Alert today to learn how we can help you find charitable outlets for your surplus food and capture the necessary information you need to claim tax benefits. Learn more at [foodspoileralert.com](http://foodspoileralert.com).

Source: U.S. Internal Revenue Service and Harvard Food Law & Policy Clinic



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