



16 August 2024

Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee,

Thank you for the opportunity to lodge a submission in response to the Inquiry into the Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024. End Food Waste Australia is pleased to see this important initiative being progressed by the Australian Parliament.

We would like to convey our strong support for the Bill, as it would not only help many Australians in need but also reduce food loss and waste; help stimulate regional economies; acknowledge the generosity of farmers and growers; and support small and medium-sized businesses during a particularly challenging economic period.

Australia currently wastes more than 7.6 million tonnes of food each year costing the economy over \$36.6 billion¹. 70%² of this food is perfectly edible and redirecting it to food relief would potentially deliver \$2 billion³ in social return. If tax settings are recalibrated to incentivise donations to food relief charities, then industry would have an additional reason to do the right thing. Experience in other countries, including the USA, France, Canada and the Netherlands, where similar incentives have been operating successfully for many years, confirms that tax incentives are far and away the most effective way to positively impact donations to food relief charities.

End Food Waste Australia (EFWA) has a vision of an Australia without food waste, starting with a halving of food waste by 2030 in line with United Nations Sustainable Development Goal 12.3. We are Australia's lead agency delivering the [National Food Waste Strategy](#) on behalf of the Australian Government. 'Enabling legislation to better support food waste reduction and repurposing' is a specific deliverable within the Policy Support priority of the NFWS, and was a deliverable listed in the 2017 Fight Food Waste Cooperative Research Centre Business Case to the Australian Government. The Fight Food Waste CRC, now incorporated into EFWA, has subsequently undertaken two projects with Foodbank Australia, KPMG and the NSW and Queensland Governments to develop the business case for food donation tax incentives. I encourage the Committee to view the video [A case for tax reform to increase food donations by Australian businesses](#) and read the KPMG business case [Australian National Food Donation Tax Incentive Implementation Analysis](#), which details the benefits of the proposed reform.



We also note that the implementation of a national food donation tax incentive has been a recommendation of the 2023 Standing Committee on Agriculture Inquiry into Food Security in Australia [Australian Food Story: Feeding the Nation and Beyond](#) (Recommendation 19).

Having reviewed the Bill, we recommend the following amendments:

- Expansion of the eligibility to entities other than Constitutional Corporations, such as Trusts and Partnerships, as many food-related businesses (eg family farms) take this form.
- That the type of registered food charity be expanded to include those entities registered as a Public Benevolent Institution under the Australian Charities and Not-for-profits Commission Act 2012.
- That the 40 percent offset is available to entities with an aggregated turnover of at least \$20 million and less than \$250 million for the income year (with the 30 percent offset for entities with an aggregated turnover of \$250 million or more for the income year). This will allow more medium sized businesses (e.g. family businesses and small transport operators), many who operate with high turnover but low margins, to obtain a tax incentive associated with the offset claim.

We believe these amendments would significantly improve the eligibility, application and impact of the proposed tax incentive and strongly encourage the Committee to recommend the earliest possible passage of the amended Bill.

Despite Australia producing enough food to feed 75 million people, near 3 times our population, 3.7 million households in Australia experienced food insecurity in the last 12 months. That's more than the number of households in Sydney and Melbourne combined. Currently there is simply not enough healthy and nutritious food being donated to food relief charities, because food industry margins are tight and its simply cheaper to dump surplus. The proposed bill provides the best opportunity for the Australian Parliament to address this imbalance and we implore the Senate Standing Committees on Economics to support the bill and the above proposed amendments.

Yours sincerely,



Dr Steven Lapidge
Chief Executive Officer