

114TH CONGRESS
2D SESSION

H. R. 6343

To amend the Internal Revenue Code of 1986 to encourage the sale of locally and regionally produced agricultural products in underserved communities.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 17, 2016

Mr. VEASEY (for himself and Ms. NORTON) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to encourage the sale of locally and regionally produced agricultural products in underserved communities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Farmers Markets for
5 Food Deserts Act of 2016”.

1 **SEC. 2. AGRICULTURAL PRODUCT SALES IN UNDERSERVED**
2 **COMMUNITIES.**

3 (a) IN GENERAL.—Part III of subchapter B of chap-
4 ter 1 of the Internal Revenue Code of 1986 is amended
5 by inserting before section 140 the following new section:

6 **“SEC. 139G. AGRICULTURAL PRODUCT SALES IN UNDER-**
7 **SERVED COMMUNITIES.**

8 “(a) IN GENERAL.—Gross income does not include
9 amounts received by the taxpayer which are derived from
10 qualified agricultural food product sales.

11 “(b) QUALIFIED AGRICULTURAL FOOD PRODUCT
12 SALES.—For purposes of this section, the term ‘qualified
13 agricultural food product sale’ means the sale of locally
14 and regionally produced agricultural products (as such
15 term is used in section 6 of the Farmer-to-Consumer Di-
16 rect Marketing Act of 1976 (7 U.S.C. 3005), as in effect
17 on the date of the enactment of this section) by the tax-
18 payer to members of the general public at a fixed location
19 (other than a retail store) located in a community de-
20 scribed in subsection (e)(1) of such section, as in effect
21 on such date of enactment.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 for part III of subchapter B of chapter 1 of such Code
24 is amended by inserting before the item relating to section
25 140:

“Sec. 139G. Agricultural product sales in underserved communities.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2016.

4 **SEC. 3. CLARIFICATION OF USE OF GRANT FUNDS UNDER**
5 **FARMERS’ MARKET AND LOCAL FOOD PRO-**
6 **MOTION PROGRAM.**

7 Section 6(f) of the Farmer-to-Consumer Direct Mar-
8 keting Act of 1976 (7 U.S.C. 3005(f)) is amended—

9 (1) in the subsection heading, by striking
10 “FUNDS REQUIREMENTS FOR” and inserting “USE
11 OF FUNDS BY”;

12 (2) in paragraph (1), in the paragraph heading,
13 by inserting “REQUIREMENT” after “FUNDS”; and

14 (3) by adding at the end the following new
15 paragraph:

16 “(3) FARMERS’ MARKET PERMIT FEES.—An eli-
17 gible entity may use a grant or other assistance pro-
18 vided under this section for purposes of paying any
19 fees associated with obtaining a permit to sell locally
20 and regionally produced agricultural products at a
21 farmers’ market located in an area described in sub-
22 section (e)(1).”.

○