

**APPLICATION REQUEST FOR COST CERTIFICATION FOR CLAIM OF THE ORGANIC
FOODS PRODUCTION TAX CREDIT**

Part I

Section 235-110.94, Hawaii Revised Statutes (HRS), authorizes a tax credit for producers, handlers, and handling operations that sell organic agricultural products, and have applied for organic certification, and whose gross income from the sale of organic agricultural products for the most recently reported fiscal year is no more than \$500,000. Taxpayers applying for this tax credit must print this form on company letterhead and send the signed form along with accompanying documents to:

Hawaii Department of Agriculture
Market Development Branch
1428 S. King St.
Honolulu, HI 96814
Attn: Organic Tax Credit Office

Part II

Name of Taxpayer: _____

SSN/FEIN: _____

Address: _____

(Number and street, including apartment number or rural route, city, state, and zip code)

Total qualified expenses claimed for this tax year: \$ _____

Amount of Tax Credits issued for this tax credit for previous years (if any):

Amount of tax credit for the _____ tax year: \$ _____

Amount of tax credit for the _____ tax year: \$ _____

Amount of tax credit for the _____ tax year: \$ _____

Amount of tax credit for the _____ tax year: \$ _____

Amount of tax credit for the _____ tax year: \$ _____

Part III

Only a “qualified taxpayer” is eligible to claim this tax credit. To be determined a “qualified taxpayer”, taxpayer must submit copies of the following with this application:

1. Proof that taxpayer is a producer, handler, or handling operation within the meaning of 7 U.S.C. section 6502.
2. Proof of organic certification, or proof that taxpayer has applied for organic certification, in accordance with the requirements of the Organic Foods Production Act, 7 U.S.C. section 6501 et seq.
3. Receipts or invoices and other documentation showing that taxpayer sells organic agricultural products in adherence to the standards and requirements of the Organic Foods Production Act, 7 U.S.C. section 6501 et seq.
4. A signed statement that the taxpayer’s gross income from the sale of organically produced agricultural products for the most recently reported fiscal year totals no more than \$500,000. Under Section 235-110.94(g), HRS, the Hawaii Department of Taxation may verify this signed statement by requesting additional documents.

Part IV

Identify the qualified expenses (with an “x”) and the amount of qualified expenses that the taxpayer is claiming.

- A. Application fees for organic certification from the United States Department of Agriculture. \$ _____
- B. Inspection costs necessary for organic certification. \$ _____
- C. Fees related to equivalency agreement/arrangement requirements, travel/per diem for inspectors, user fees, sales assessments, and postage. \$ _____
- D. Costs for equipment, materials, or supplies necessary for organic certification or production of agricultural products, in accordance with the taxpayer’s organic system plan and the organic production and handling requirements of the National Organic Program (7 CFR part 205, subpart C),

including but not limited to certified organic seed, cover crops, or animal feed. If claiming "D" expenses, taxpayer must also include current organic system plan under 7 CFR part 205, subpart C. \$_____

For every expense claimed, attach receipt, proof of payment, and any other appropriate documentation that verifies your claim. Include a brief narrative description of the purpose of each expense and why the expense was necessary for organic certification or production of organic agricultural products.

Taxpayer has not been, nor will it be, refunded by the United States Department of Agriculture's organic certification cost-share program or any other similar financial assistance program for any of the claimed qualified expenses above.

Agree _____

Part V

By signing below, you certify and declare, under the penalties set forth in section 231-36, HRS, that the information provided is true and correct, and that all of your claimed expenses constitute qualified expenses under section 235-110.94, HRS. You further understand that in addition to the penalties set forth in section 231-36, HRS, any misrepresentation may result in the denial, or subsequent audit, of your claim for the Organic Foods Production Tax Credit. All claims for the Organic Foods Production Tax Credit are subject to audit by the Hawaii Department of Taxation.

Signature: _____

Date: _____

Title: _____