

2026 Food Desert Relief Tax Credit Auction

✉ FDRTCAuction@njeda.gov

About NJEDA

The New Jersey Economic Development Authority (NJEDA) serves as the State's principal agency for driving economic growth.

The NJEDA is committed to making New Jersey a national model for **inclusive and sustainable economic development** by focusing on key strategies to help build **strong and dynamic communities, create good jobs for New Jersey residents, and provide pathways to a stronger and fairer economy**. Through partnerships with a diverse range of stakeholders, the NJEDA creates and implements initiatives to **enhance the economic vitality and quality of life** in the State and **strengthen New Jersey's long-term economic competitiveness**.

NJEDA

ECONOMIC DEVELOPMENT AUTHORITY

Food Desert Relief Tax Credit Auction

NJ corporations and insurance companies can bid for a **tax discount of up to 15%**

Can be applied to
**Corporation Business Tax
& Insurance Premiums Tax**

Tax credits can first be
used for the tax year in
which they are approved,
with **7-year carry-forward**

Minimum tax credit
request of **\$500,000**

Minimum price of **\$0.85**
per dollar of credit

**No commitment or
compliance requirements**
after closing transaction



Proceeds from the auction will fund grant and/or loan programs to strengthen food access and reduce hunger in designated **Food Desert Communities**, as specified by the Food Desert Relief Act

Food Desert Relief Tax Credit Auction

Results: 2023-2025

3

Past
auctions
held

12

Unique
purchasers

5

Repeat
purchasers

\$60M

Total tax
credits
sold

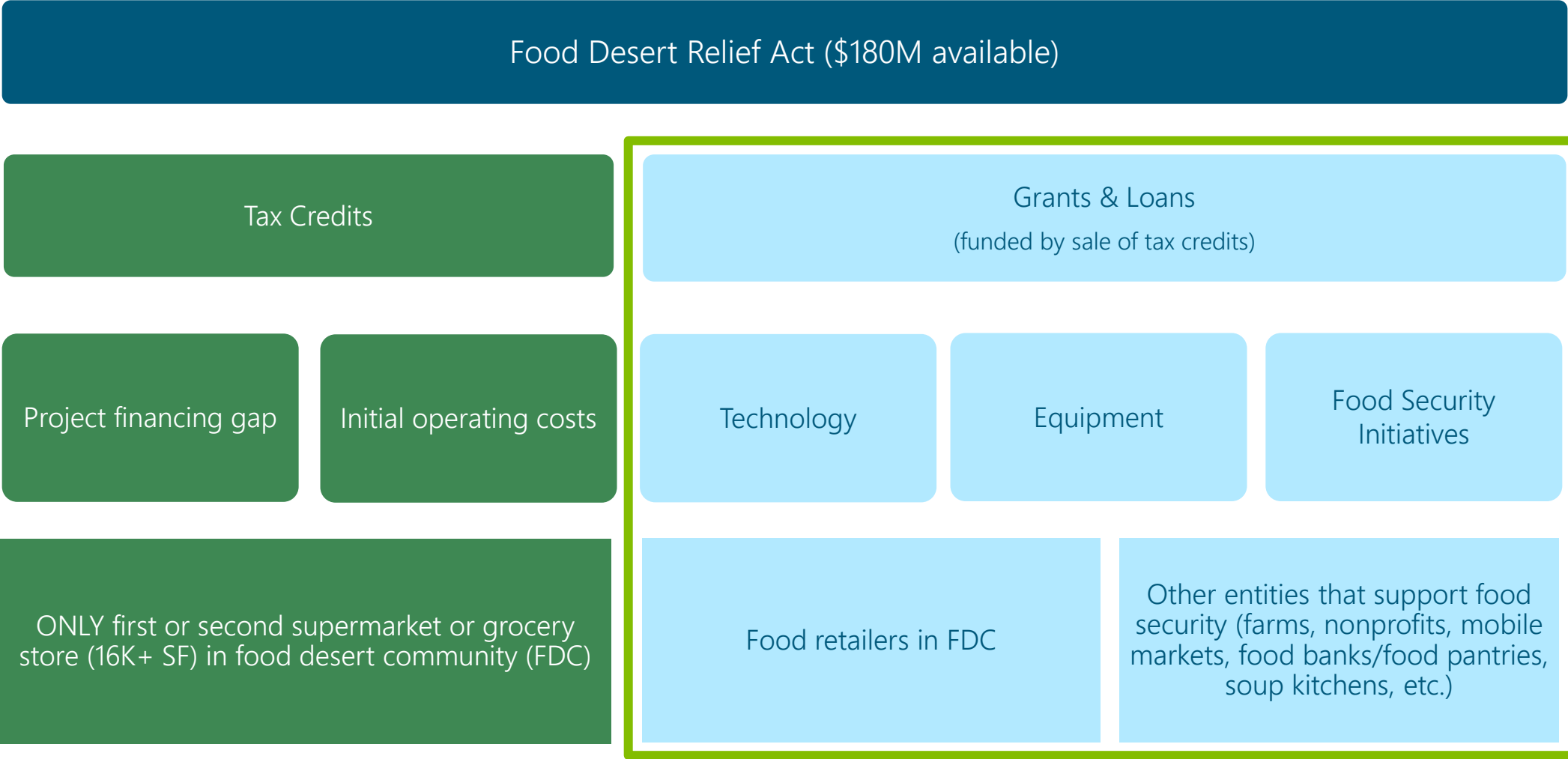
\$6.2M

Total
savings
realized by
purchasers

\$53.8M

Proceeds
raised to
fight
hunger

The Food Desert Relief Act creates new strategies for NJEDA to address food security



Learn more at <https://www.njeda.com/food-desert-relief-program>

Fighting Hunger & Strengthening Food Access

- ▶ Proceeds from the sale of tax credits will be used for grant and/or loan programs supporting communities with the most acute needs
- ▶ NJEDA worked with the Departments of Community Affairs and Agriculture to designate **50 Food Desert Communities (FDCs)** across the state, informed by community input and data analysis
 - ▶ **20+ variables** considered spanning food retail environment, demographics, economic/health/community factors
- ▶ More than **1.5 million** NJ residents live in a FDC, which span **57 municipalities** and all **21 counties**. Over **1.2 million** NJ residents are currently facing hunger, including over **329,000** children.



Auction Proceeds at Work: FEED NJ

Food Equity and Economic Development in New Jersey (FEED NJ) is a \$30 million pilot program awarding grants of up to \$500,000 for innovative, sustainable, scalable projects that strengthen food access and reduce hunger in New Jersey's most acute Food Desert Communities.

\$30M

total
investment

50

Food Desert
Communities
served

73

food access
projects
funded

\$410K

average
investment
per project

Explore all 73 FEED NJ projects at www.njeda.gov/feed-nj-awardees

Auction Proceeds at Work: FEED NJ



Explore all 73 FEED NJ projects at
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Launching +
operating new
community grocery
stores and mobile
markets

Transforming vacant
lots through urban
agriculture

Upgrading
agricultural + cold
storage infrastructure

Increasing access to
fresh local produce

Expanding free food
provision services to
New Jerseyans in
need

Renovating +
reimagining food
pantries

Delivering medically
tailored meals +
recovering surplus
food

And much, much
more!

Tax Credit Purchase Eligibility Criteria

Bidders do NOT need to:



Be in the food industry



Be in a Food Desert Community



Make any ongoing commitments beyond the purchase transaction

Bidders need to:



Be NJ CBT or IPT filers



Request at least \$500,000 in tax credits



Bid at least \$0.85 per dollar of tax credits

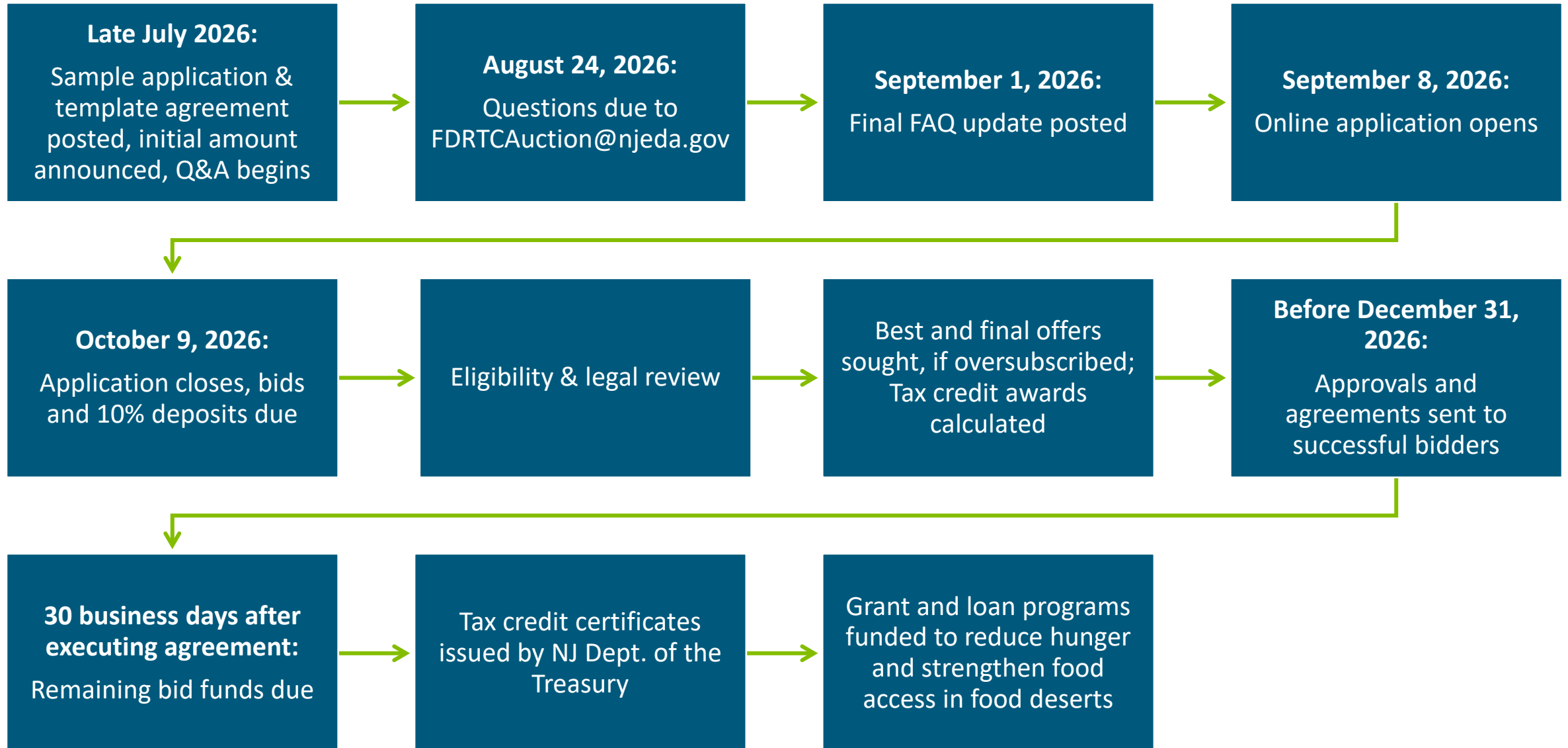


Pay a refundable deposit of 10% of total bid, up to \$500,000

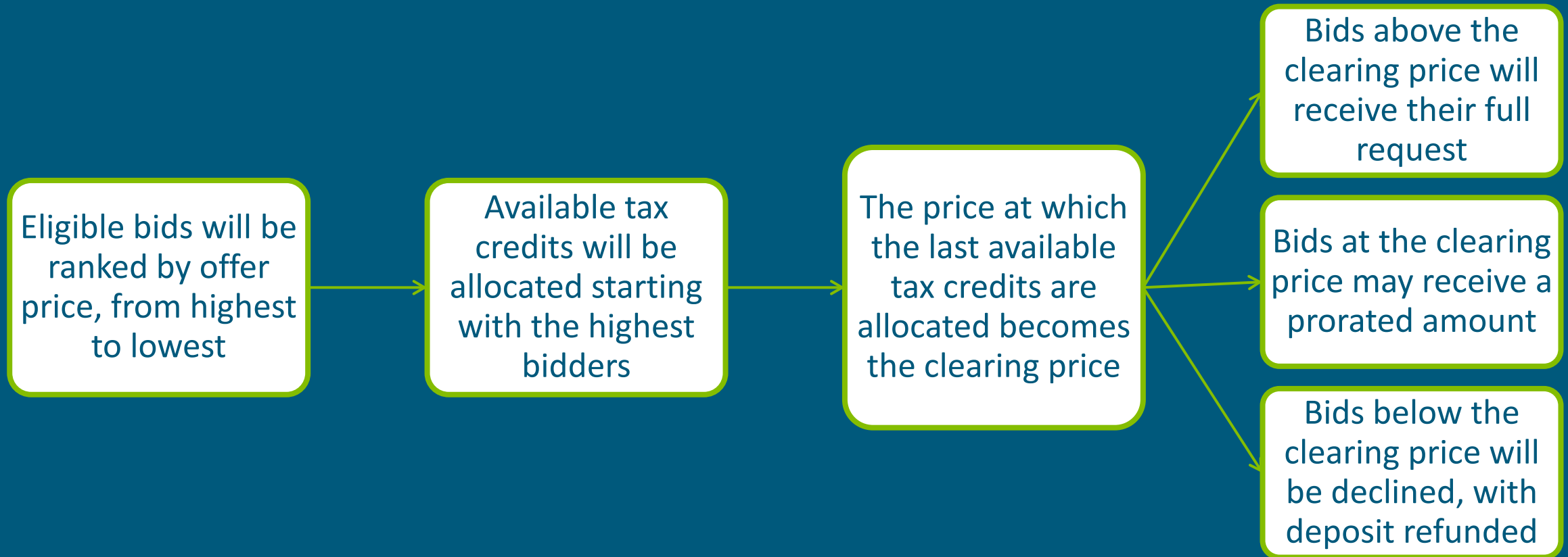


Undergo standard NJEDA legal & compliance review

Tax Credit Auction Timeline



Determining Tax Credit Award Amounts



Determining Tax Credit Award Amounts

Example: \$10 million available

	Bidder	Offer Price	Face Value	Total Purchase Offer	Tax Credits Awarded
Above clearing price	A	\$0.95	\$4,000,000	\$3,800,000	\$4,000,000
	B	\$0.93	\$3,000,000	\$2,790,000	\$3,000,000
	C	\$0.93	\$1,000,000	\$930,000	\$1,000,000
At clearing price	D	\$0.90	\$3,000,000	\$2,700,000	\$1,500,000
	E	\$0.90	\$1,000,000	\$900,000	\$500,000
Below clearing price	F	\$0.85	\$3,000,000	\$2,550,000	\$0
TOTAL			\$15,000,000	\$13,670,000	\$10,000,000

To learn more about the Food Desert Relief Tax Credit Auction:

 Visit <https://www.njeda.gov/food-desert-relief-tax-credit-auction/> for applications (starting Tuesday 9/8 at 10 AM) and resources:

- Frequently Asked Questions
 - Detailed overview of the auction process
 - Application checklist
 - Sample application
 - Tax credit purchase agreement template
-

 Email FDRTCAuction@njeda.gov with questions or to set up a call!

- FAQ will be updated on a rolling basis with answers to submitted questions
- Final FAQ update will be posted by September 1 at 5:00 PM

Applications for 2026 will be available at the link above from September 8 to October 9

Q&A

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JERSEY FRESH
"We Only Sell What We Grow"