

January 30, 2024

The Honorable Mike Johnson  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Hakeem Jeffries  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Speaker Johnson and Minority Leader Jeffries,

On behalf of Farm Bureau's nearly 6-million-member families, I write to you today in support of H.R. 7024, the Tax Relief for American Families and Workers Act, legislation that contains multiple provisions that will support farmers and ranchers as they continue to provide food, fuel and fiber to the country and world.

Ninety-eight percent of farms and ranches in this country are operated as pass-through businesses, meaning the business income passes through the business entity and is reported on the individual business owner's tax returns. Unfortunately, many of the individual tax reform provisions that were changed to help pass-throughs in the Tax Cuts and Jobs Act have either already expired or are set to expire at the end of 2025. Farm Bureau supports making all these expiring provisions permanent.

In the interim, restoring the already expired and slimmed-down provisions to stimulate economic growth is appropriate.

Bonus depreciation incentivizes businesses to re-invest their profits in themselves to grow and create jobs, which in turn creates economic growth. This provision became even more important to farmers and ranchers with its expanded application to used property via the changes TCJA made to 1031 Like-Kind Exchanges.

Raising the maximum deduction level for Sec. 179 expensing would also be helpful in those instances where it makes more sense for farmers and ranchers to utilize this provision, especially given the inflationary pressures the agriculture sector has been dealing with on the equipment side.

Farm Bureau also supports ending the limitation on deducting business interest.

Farm Bureau is supportive of the Tax Relief for American Families and Workers Act and looks forward to further working with you on making sure the entire tax code supports farmers and ranchers across this great country.

Respectfully,



Sam Kieffer  
Vice President, Public Policy