



NATIONAL CATTLEMEN'S BEEF ASSOCIATION
CENTER FOR PUBLIC POLICY

June 30, 2025

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Steve Scalise
Majority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Tom Emmer
Majority Whip
U.S. House of Representatives
Washington, DC 20515

The Honorable Jason Smith
Chairman, Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Johnson, Majority Leader Scalise, Majority Whip Emmer, and Chairman Smith:

The National Cattlemen's Beef Association (NCBA) and our affiliates write to you in strong support of the tax package included in the One Big Beautiful Bill. NCBA is the oldest and largest national trade association representing the interests of the U.S. cattle industry, with over 178,000 members represented through direct membership and our 44 state affiliate organizations. We applaud the progress you have made in advancing the bill through the House of Representatives and working to resolve differences with Senate, and now it is time to approve the bill once and for all. Renewing the expiring 2017 tax policies is essential for the success of our family-owned cattle operations and bolstering producer profitability across rural America. Time is of the essence, and we encourage swift passage of the tax package.

Most notably, we are very supportive of the proposed increase in the estate and gift tax exemption of \$15 million. The estate tax, or death tax, is one of the greatest threats to multi-generational cattle operations. Cattle producers are asset rich and cash poor, and families are often forced to sell off part of their land or livestock to pay the estate tax. Taking land and livestock out of production significantly hurts producer profitability. NCBA strongly supports the complete repeal of the estate tax, and until such repeal is achieved, we support your efforts to secure the highest possible estate tax exemption.

We also greatly appreciate the permanence of the Section 199A Small Business deduction included in the text. Section 199A was established to ensure that pass-through businesses could compete on an equal footing with corporations following the reduction of the corporate tax rate. Cattle producers, many of which are structured as pass-through businesses, will face a tax increase if the deduction is allowed to expire. Permanent extension of 199A empowers cattle producers to make thoughtful planning decisions for the future without worrying if they will face a tax increase down the line.

Cattle operations require significant investments in machinery, equipment, and other depreciable assets and because of this, farmers and ranchers place great value on tax code provisions such as the Section 179 deduction. NCBA is supportive of the proposed increase of the Section 179 limitation from \$1 million to \$2.5 million. This increase is long overdue, and it will greatly help cattle producers make capital investments in their businesses as the cost of equipment and machinery continues to rise.



NCBA also strongly supports the committee's proposal to permanently reinstate 100% bonus depreciation. When capital investments exceed Section 179 deduction limits, farmers and ranchers generally use bonus depreciation. For several years, producers have not been able to deduct the full cost of business purchases in the first year. Reinstating this important tool will give producers more flexibility to make investments and reduce their tax burden.

Family-owned cattle operations are a major economic driver across rural America, but they need a tax code that rewards their entrepreneurial spirit and encourages the continuation of multi-generational small businesses. We are very pleased with efforts to ensure permanency for many provisions that are important to farmers and ranchers. When producers know what to expect, they can confidently make estate and business plans without looking over their shoulder for an unexpected tax bill. These proposals are essential to the continued success of America's cattle producers. We thank you for your hard work in advancing tax relief for America's cattle producers, and we urge swift adoption of the tax package.

Sincerely,

National Cattlemen's Beef Association
Public Lands Council
American Quarter Horse Association
Alabama Cattlemen's Association
Arizona Cattle Feeders Association
Arizona Cattle Growers Association
Arkansas Cattlemen's Association
California Cattlemen's Association
Colorado Cattlemen's Association
Colorado Livestock Association
Florida Cattlemen's Association
Georgia Cattlemen's Association
Hawaii Cattlemen's Council
Idaho Cattle Association
Illinois Beef Association
Indiana Beef Cattle Association
Iowa Cattlemen's Association
Kansas Livestock Association
Kentucky Cattlemen's Association
Louisiana Cattlemen's Association
Michigan Cattlemen's Association
Minnesota State Cattlemen's Association
Mississippi Cattlemen's Association
Missouri Cattlemen's Association
Montana Stockgrowers Association
Nebraska Cattlemen's Association
Nevada Cattlemen's Association
New Mexico Cattle Growers' Association
New York Beef Producers' Association

North Carolina Cattlemen's Association
North Dakota Stockmen's Association
Ohio Cattlemen's Association
Oklahoma Cattlemen's Association
Oregon Cattlemen's Association
Pennsylvania Cattlemen's Association
South Carolina Cattlemen's Association
South Dakota Cattlemen's Association
Tennessee Cattlemen's Association
Texas & Southwestern Cattle Raisers Association
Texas Cattle Feeders Association
Utah Cattlemen's Association
Virginia Cattlemen's Association
Washington Cattle Feeders Association
Washington Cattlemen's Association
West Virginia Cattlemen's Association
Wisconsin Cattlemen's Association
Wyoming Stock Growers Association