

April 12, 2010

The Honorable Harry Reid
Senate Majority Leader
S-221 Capitol Building
Washington, DC 20510

The Honorable Mitch McConnell
Senate Republican Leader
S-230 Capitol Building
Washington, DC 20510

Dear Majority Leader Reid and Republican Leader McConnell:

The organizations listed below represent family farmers, ranchers and growers which provide the food and fiber for our nation's citizens as well as for people around the globe. Over the years, our members have shared personal stories about how their farms and livelihoods have been jeopardized by estate taxes. We come together now to ask your support for permanent and meaningful estate tax relief.

If estate taxes are allowed to be reinstated at the beginning of 2011 with only a \$1 million exemption and top rate of 55 percent, the negative impact on our industry will be significant. We support permanently raising the exemption to no less than \$5 million per person and reducing the top rate to no more than 35 percent. It is also imperative that the exemption be indexed to inflation, provide for spousal transfers and include the stepped-up basis.

Family farmers and ranchers are not only the caretakers of our nation's rural lands but they are small businesses too. The 2011 change to the estate tax law does a disservice to agriculture because we are a land-based capital intensive industry with few options for paying estate taxes when they come due. The current state of our economy, coupled with the uncertain nature of estate tax liabilities make it difficult for family-owned farm and ranches to make sound business decisions. We urge Congress to pass permanent estate tax reform now.

We strongly support estate tax relief as outlined above, which provides the greatest relief and certainty for agriculture. We respectfully request your leadership in reforming current estate tax laws to strengthen the business climate for family farmers, ranchers and growers while ensuring agricultural businesses are passed to future generations.

Sincerely,

American Farm Bureau Federation
American Farmland Trust
American Mushroom Institute
American Sheep Industry Association
American Soybean Association
American Sugar Alliance
Farm Credit Council

National Association of Wheat Growers
National Cattlemen's Beef Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Farmers Union
National Grange of the Order of Patrons of Husbandry
National Milk Producer Federation
National Pork Producers Council
National Potato Council
National Turkey Federation
Northwest Dairy Association
Public Lands Council
Southeast Dairy Farmers Association
Southeast Milk Inc.
United Egg Producers
United Fresh Produce Association
United Producers
U.S. Apple Association
U.S.A. Rice Federation
Western Growers Association
Western United Dairymen