

June 25, 2025

The Honorable John Thune  
Majority Leader  
United States Senate  
Washington, DC 20515

The Honorable John Barrasso  
Majority Whip  
United States Senate  
Washington, DC 20515

The Honorable Mike Crapo  
Chairman  
Committee on Finance  
United States Senate  
Washington, DC 20515

Dear Senators Thune, Barrasso, and Crapo:

As representatives of the U.S. agriculture industry, we write to you in support of several provisions in the tax package recently proposed by the U.S. Senate Committee on Finance that address the needs of farmers, ranchers, and small businesses. We applaud the members of the Committee who worked in support of this legislation, and we thank Chairman Crapo for his leadership in addressing the needs of U.S. agriculture. Time is of the essence, and we need the Senate to approve these provisions as part of the reconciliation process, without delay.

The tax package includes multiple provisions that will greatly benefit farmers, ranchers, forest landowners, and other agricultural businesses across the United States.

**Estate Tax Relief:** The estate tax is overly burdensome on families trying to pass their farm, ranch, or business to the next generation. While our ultimate goal is full repeal of the estate tax, the increased exemption level of \$15 million per individual, indexed for inflation, and made permanent, is a welcomed step forward in alleviating the tax burden on operations that are often forced to sell off part of their family farm in order to pay the estate tax bill. We also greatly appreciate the preservation of the step-up in basis to prevent unnecessary capital gains tax on estates.

**Ensuring Permanency for 199A Qualified Business Income Deduction:** The Section 199A Qualified Business Income Deduction helps agricultural producers and farmer cooperatives compete on a level playing field with larger corporations by allowing them to keep a portion of their income. We are very happy to see the qualified business income deduction made permanent in the tax package. This will help family farms, ranches, and agribusinesses thrive for years to come.

**Making the Lower Individual Tax Rates and Expanded Tax Brackets Permanent:** The reduced rates and broader brackets introduced by the Tax Cuts and Jobs Act are essential for farmers and ranchers, enabling them to keep more of their earnings to reinvest in their businesses and manage increasing production costs. We greatly appreciate making these rates permanent and increasing the standard deduction.

**Increasing Section 179 Expensing:** Increasing the Section 179 limitation from \$1 million to \$2.5 million will be helpful to producers making capital investments. This is especially important for the agriculture industry where investments in equipment and technology can be substantial. This provision encourages investment, enhances productivity, and promotes innovation in agriculture.

**Restoring 100% Bonus Depreciation:** Restoring 100% bonus depreciation permanently will significantly benefit the agriculture industry by enabling essential investments in equipment and infrastructure without the burden of delayed tax benefits. This provision not only stimulates growth but also enhances agriculture efficiency, allowing farmers to adopt the latest technologies and practices.

While this is not an exhaustive list, these provisions will benefit a vast majority of farmers, ranchers, and agribusinesses across rural America and will help us strengthen the agriculture supply chain. We stand with you in support of this important tax relief and greatly appreciate you prioritizing the needs of U.S. agriculture and delivering meaningful benefits for rural America.

Sincerely,

Agricultural and Food Transporters  
Conference  
Agricultural Retailers Association  
American Bakers Association  
American Farm Bureau Federation  
American Quarter Horse Association  
American Sheep Industry Association  
American Soybean Association  
American Sugar Alliance  
American Sugarbeet Growers Association  
AmericanHort  
Beef Alliance  
California Citrus Mutual  
Crop Insurance Professionals Association  
Farm Credit Council  
Forest Landowners Association  
International Fresh Produce Association  
Livestock Marketing Association  
Midwest Dry Bean Coalition  
National Barley Growers Association  
National Cattlemen's Beef Association  
National Corn Growers Association  
National Council of Farmer Cooperatives  
National Grange  
National Milk Producers Federation  
National Peach Council

National Pork Producers Council  
National Potato Council  
National Sorghum Producers  
National Sunflower Association  
National Turkey Federation  
Northwest Bean Growers Association  
Public Lands Council  
South East Dairy Farmers Association  
Southwest Council of Agribusiness  
U.S. Apple Association  
U.S. Canola Association  
U.S. Sweet Potato Council  
US Rice Producers Association  
USA Dry Pea & Lentil Council  
Western Growers Association  
Western Peanut Growers Association  
Western United Dairies