

November 9, 2010

Dear Senator/Representative:

The organizations listed below represent family farmers and ranchers who provide 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 also small businesses. 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, makes it difficult for family-owned farm and ranches to make sound business decisions. We urge Congress to pass permanent estate tax reform.

We respectfully request your leadership in reforming current estate tax laws before the end of this year. This action will strengthen the business climate for farm and ranch families while ensuring agricultural businesses can be passed to future generations. Allowing estate taxes to be reinstated without an exemption and rate that protects family farms puts many operations at risk and threatens succession to the next generation of farmers.

Sincerely,

All-Jersey Sales Corp.
American Beekeeping Federation
American Farm Bureau Federation®
American Farmland Trust
American Jersey Cattle Association
American Mushroom Institute
American Sheep Industry Association
American Soybean Association
American Sugar Alliance
Farm Credit Council
National All-Jersey Inc.

National Association of Wheat Growers
National Cattlemen's Beef Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Milk Producers Federation
National Pork Producers Council
National Potato Council
Northwest Dairy Association
Public Lands Council
Southeast Dairy Farmers Association
United Dairymen of Arizona
United Egg Producers
United Fresh Produce Association
United Producers, Inc.
U.S. Apple Association
U.S.A. Rice Federation
Western Peanut Growers Association
Western United Dairymen