



September 1, 2015

The Honorable Paul Ryan  
Chairman  
House Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Sander Levin  
Ranking Member  
House Committee on Ways and Means  
1106 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Ryan and Ranking Member Levin:

On behalf of 200,000 family farmer and rancher members, National Farmers Union (NFU) encourages the advancement of a multiyear tax extenders package well in advance of the end of 2015. Agricultural producers are facing a myriad of challenges as commodity prices plummet and demand has slumped over the last year. In this particularly difficult period, our members require a predictable tax structure.

Over the last several years, Congress has approached the extension of valuable tax credits in an unpredictable way that has been unfriendly for family farmers and rural residents. The last minute extensions, some of which were retrospective in nature, left producers scrambling to make purchases during the last few weeks of a calendar year. There was very little confidence that Congress would extend the credits until they were actually passed. As a result, long-term planning has been severely impaired.

NFU recognizes that your committee has taken steps in this and previous congresses to extend certain tax credits permanently. While we appreciate this work, we believe that tax credits must be periodically addressed within the context of the federal budget. NFU members, through our grassroots policy, continue to express concern with the size of our nation's deficit. The cost associated with a permanent extension of these credits is staggering and would only further exacerbate a problem that must be addressed.

As you know, on July 21, 2015, the Senate Finance Committee passed a two-year tax extenders package well in advance of the end of the year. This approach comes as a relief to our members who rely on these tools, but also have concerns over our federal deficit. As you look to craft your own legislation, we would like to highlight credits of particular importance to our organization, which directly benefit producers and the rural economy. NFU supports the following tax credits:

- Charitable contributions of real property for the purpose of conservation.
- Extension of bonus depreciation.
- Charitable deduction for contributions of food inventory.
- Extension of increased expensing limitations and treatment of certain real property as section 179 property.
- Extension of the Renewable Electricity Production Credit.
- All extensions that benefit the renewable fuel sector at both the production and consumption levels.

- Deductions for energy efficiency upgrades made to buildings.

We recognize the difficulties you face as you work to ensure that these valuable business tools remain in place. Cost, politics, and a challenging economic environment only compound the challenge. NFU urges your committee to retain these credits in any final package, while at the same time allowing for the periodic review of these credits. We thank you for your attention in this matter and for the support you provide to family farmers and ranchers and residents of rural America.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger Johnson". The signature is fluid and cursive, with the first name "Roger" and the last name "Johnson" clearly distinguishable.

Roger Johnson  
President

cc: Members of the Committee on Ways and Means