



September 10, 2021

The Honorable Chuck Schumer  
Majority Leader  
United States Senate  
S-221, The Capitol  
Washington, DC 20510

The Honorable Mitch McConnell  
Minority Leader  
United States Senate  
S-230, The Capitol  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker of the House  
United States House of Representatives  
H-305, The Capitol  
Washington, DC 20515

The Honorable Kevin Brady  
Minority Leader  
United States House of Representatives  
H-204, The Capitol  
Washington, DC 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and Minority Leader McCarthy:

On behalf of the nearly 200,000 family farm and ranch families of the National Farmers Union, we commend you for working to secure historic investments currently being considered by Congress through the budget reconciliation process. These investments will be essential for continued recovery from the COVID-19 pandemic, for addressing natural disasters and climate change, and creating jobs throughout the economy. However, we also must reiterate and restate our deep concerns with the continued conversations about altering or eliminating long-standing tax provisions that are essential to the economic well-being of our members and small businesses in rural communities. NFU opposes elimination of the “stepped-up basis” at death on the appreciation of assets, such as land, that family farmers and ranchers rely on to produce the food, feed, fiber, and fuel all Americans depend on.

NFU’s grassroots, member-driven policy is in favor of a progressive tax code. Many of the proposed changes to the tax code will help ensure that large corporations and the ultrawealthy are paying their fair share. However, taxing capital gains on investment income is different from taxing assets, such as land, that are integral to running a farm or other small business. Moreover, the partial exemptions proposed for family farms and small businesses that postpone tax liability for as long as the business stays in the family, may be insufficient to fully protect farmers and ranchers. The tax liability that accumulates, even if postponed, can negatively affect a working farms’ ability to access credit. Burdensome new tax liabilities may lead to the premature sale of family farms and ranches and contribute to a worrying trend toward greater farmland consolidation and corporate control of our food system.

As you discuss how to pay for much needed investments in our economy, we urge you to reconsider plans to eliminate “stepped-up basis” for family farms and small businesses. We welcome continued engagement with you on this matter, and we are prepared to work with you to ensure that family farmers, ranchers, and small businesses can continue being the backbone and economic engines of our rural communities.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Larew". The signature is fluid and cursive, with the first name "Rob" being more prominent than the last name "Larew".

Rob Larew  
President

cc:

The Honorable Ron Wyden, Chairman, and the Honorable Mike Crapo, Ranking Member, U.S. Senate Committee on Finance

The Honorable Richard Neal, Chairman, and the Honorable Kevin Brady, Ranking Member, U.S. House Committee on Ways and Means

The Honorable Debbie Stabenow, Chairwoman, and the Honorable John Boozman, Ranking Member, U.S. Senate Committee on Agriculture, Nutrition & Forestry

The Honorable David Scott, Chairman, and the Honorable Glenn Thompson, Ranking Member, U.S. House Committee on Agriculture