



TAX LEGISLATION

Issue:

Farm Bureau works to enact tax policies that benefit farmers and ranchers and that promote private initiative, domestic economic growth, equity, and simplicity.

Legislative Status:

TEMPORARY PROVISIONS OF THE TAX CUTS AND JOBS ACT (TCJA):

The TCJA contains important tax provisions that are temporary in nature:

- Reduced pass-through tax rates and expanded brackets (expires 2025)
- Section 199A 20 percent business income deduction (expires 2025)
- Unlimited bonus depreciation, AKA full and immediate expensing (phase-out starts 2023)
- Doubled estate tax exemption to \$11 million per person or \$22 million per couple (expires 2025)
- Increased Alternative Minimum Tax threshold for individuals (expires 2025)

Farm Bureau supports the following bills to extend or make permanent TCJA temporary tax incentives:

- **S. 1706** – Main Street Tax Certainty Act - to make the Section 199A 20 percent business income deduction permanent. Introduced by Sen. Steve Daines (R-MT). The bill has 32 cosponsors.
- **H.R. 4721** – Main Street Tax Certainty Act - to make the Section 199A 20 percent business income deduction permanent. Introduced by Reps. Lloyd Smucker (R-PA) and Henry Cuellar (D-TX). The bill has 169 cosponsors.
- **S. 1117** - ALIGN Act - to make full and immediate expensing permanent. Introduced by Sen. James Lankford (R-OK). The bill has 12 cosponsors.
- **H.R. 2406** - ALIGN Act - to make full and immediate expensing permanent. Introduced by Rep. Jodey Arrington (R-TX). The bill has 37 cosponsors.
- **H.R. 7035** – Death Tax Repeal Act – to repeal the estate tax. Introduced by Reps. Feenstra (R-IA) and Bishop (D-GA). The bill has 166 cosponsors.
- **S. 1108** – Death Tax Repeal Act of 2023 - to repeal the estate tax. Introduced by Sen. John Thune (R-SD). The bill has 41 cosponsors.
- **H.R. 4937** – The Preserving Family Farms Act of 2023, to allow more farmland or ranchland to be valued at agricultural value rather than development value under Sec. 2032A Special Use Valuation. Introduced by Reps. Jimmy Panetta (D-CA) and Mike Kelly (R-PA). The bill has 11 cosponsors.

OTHER TAX LEGISLATION SUPPORTED BY FARM BUREAU:

The American Families and Jobs Plan – Introduced by Chairman Jason Smith (R-MO)

- **H.R. 3936** – The Tax Cuts for Working Families Act
 - Temporarily boosts the standard deduction by \$2,000 for single filers, \$3,000 for head of household filers, and \$4,000 for joint filers through 2025
- **H.R. 3937** – The Small Business Jobs Act
 - Permanently raises the Section 179 Expensing Deduction to \$2.5 million and raises the phaseout threshold for property to \$4.0 million.
- **H.R. 3938** – The Build It in America Act
 - Extends full and immediate expensing through 2025, retroactive to the beginning of 2023
 - Pushes the phase-in for stricter limitations on business interest deductions that began this year to the beginning of 2026

H.R. 7024 - The Tax Relief for American Families and Workers Act – introduced by Chairman Jason Smith (R-MO)

- Extends full and immediate expensing through 2025, retroactive to the beginning of 2023
- Pushes the phase-in for stricter limitations on business interest deductions that began this year to the beginning of 2026
- Permanently raises the Section 179 Expensing Deduction to \$1.29 million and raises the phaseout threshold for property to \$3.22 million.
- Passed the House on January 31st, 2024 with a bipartisan vote of 357-70.

Contact: Dustin Sherer | 202-406-3670 | dustins@fb.org

April 2024