



April 2, 2014

The Honorable Ron Wyden
Chairman
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Orrin G. Hatch
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Wyden and Ranking Member Hatch,

I write regarding your upcoming debate to renew expired tax provisions. National Farmers Union (NFU) represents 200,000 family farmers and ranchers in all 50 states. On behalf of our grassroots membership, please consider the following tax provisions as you move through committee action.

NFU members are pleased that the initial draft sets the maximum deduction for investments in new farm machinery and other qualifying equipment to \$500,000 per year. The draft also includes the continuation of bonus depreciation for new machinery. These provisions are very helpful to family farmers who are looking ahead to improve their farm.

NFU is also pleased that tax credits for biodiesel and cellulosic biofuels were included as well as those for energy efficiency.

The initial draft of the legislation does not include other crucial renewable energy tax provisions important to NFU members. We urge the committee to include two-year extensions of the Production Tax Credit and Investment Tax Credit for renewable energy. These tax provisions are important to the continued development of the renewable energy industry, including solar and wind. They also give farmers an opportunity to make additional money on their operations.

Great care must be taken to close tax loopholes that have allowed major corporations to avoid paying income taxes. Given the widening income inequality gap and our national debt, we cannot afford this sort of tax break. Every dollar lost because of these loopholes is one less dollar available to invest in jobs, infrastructure, food for the hungry or to reduce the deficit.

I appreciate your effort to end the practice of allowing tax provisions to expire and then retroactively approving tax extenders legislation. A comprehensive approach would be better suited to maintain certainty for taxpayers. I urge you to continue to work toward a long-term bill.

Thank you for your consideration.

Sincerely,


Roger Johnson
President