



Extension of Expired Tax Credits

GROWMARK Position:

GROWMARK supports extending the following tax extenders:

- Section 199 Deduction allowing cooperatives the flexibility to take a tax deduction or pass it on to their farmer members on proceeds from agricultural or horticultural products that are manufactured, grown, extracted or marketed through cooperatives.
- Section 179 Expensing allows cooperative members to immediately deduct up to \$800,000 of small capital editions up to \$250,000 per year.
- Biofuels Producer Tax Credit of \$1.00 per gallon should be extended to 2015.
- Inland Waterways User Fee should be included in the tax extenders package to build new 1200-foot locks as soon as possible. The current law excise tax of 20 cents per gallon on fuel used in powering commercial cargo vessels on inland or intra-coastal waterways could be increased to 26 cents per gallon, effective for fuel used after 2014. This is supported by the waterway user industry.

Background:

Cooperatives, their members, and the agricultural economy are impacted by tax policy decisions. Any tax extenders package passed by the House and Senate should include the priorities outlined above.

We have focused on tax programs that have immediate and impactful effects on business climate. Action on expired tax provisions is needed now so we can plan and have the best opportunity to meet a productive business plan.

Agriculture competes in a world market. Our national tax policy should be competitive, allow the ability to expense investment, have transparent signals for the length of time tax policy will be in place and encourage economic growth to compete with markets anywhere.

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