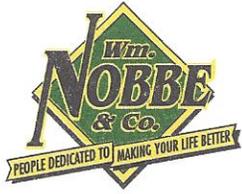


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Mr. Vern Buchanan, Chairman
Small Business/Pass Throughs Tax Reform Working Group
U.S. House of Representatives Ways and Means Committee
Washington, DC

Re: Opposition to Repeal of LIFO being considered as part of Tax Reform in 2013

Dear Chairman Buchanan:

Our company opposes any effort to repeal the last-in, first-out (LIFO) inventory method as part of any legislation to address the U.S. deficit and/or tax reform.

LIFO is NOT a "tax expenditure" or "tax preference" – it is an inventory accounting method that has been in the tax code for 70 years, which my company has used for 11 years to calculate our income.

Repeal of LIFO would be an unprecedented retroactive tax increase – repeal would require my company to recalculate our income for all the years we have used LIFO and pay back to the government the tax savings we accrued by using LIFO. It would be the same as repealing accelerated depreciation or the home mortgage interest deduction and requiring taxpayers to pay back the tax savings they properly and legally accrued using those tax provisions.

LIFO allows our company to most closely match the cost of goods sold with the cost of replacement inventory – just as first-in, first-out (FIFO) does for the companies which use that method – and if we do not have the capital to buy replacement inventory, we cannot stay in business.

We are a seven store John Deere Dealer and we employ over 200 people. Our Sales Revenue is \$122 million. Our business is capital intensive and we operate with lower margins than most businesses. Our current LIFO Reserve is \$2,153,160.00 and the repeal would cost our Company around \$800,000.00. With the type of business we operate the repeal of LIFO would be devastating to our Company and all our Employees.

Sincerely,

Thomas E. Nobbe
Wm. Nobbe & Co., Inc.

