



United States House Committee on

Ways & Means

CHAIRMAN JASON SMITH

The One, Big, Beautiful Bill Makes Rural America Great Again

Immediate Tax Relief to Farmers, Ranchers, & Small Businesses in Rural America

- **Permanent enhanced Death Tax Relief.**
 - Prevents the Death Tax from hitting over 2 million family-owned farms who would otherwise see their limitation cut in half. Ensures that family-owned farms and ranches can be passed down to the next generation.
- **Permanent Small Business Deduction.**
 - 98% of farms in the U.S. are pass-throughs. Prevents the Small Business Deduction from ever expiring and increases to 23%.
- **Extended 100% Immediate Expensing.**
 - Ensures farmers can expense today the tools that secure tomorrow's harvests.
- **Permanent Doubled Small Business Expensing.**
 - Increases section 179 Small Business Expensing threshold to \$2.5M. Agricultural industry utilizes one-fifth of all Small Business Expensing deductions across the American economy.
- **Immediate Expensing for NEW manufacturing/production structures in America.**
 - Enhances cost recovery for new agricultural and farm investments in Rural America.
- **Renews Opportunity Zone (OZ) program to better target Rural America.**
 - Provides new OZ incentives to drive investments to rural and underserved areas.

Puts Fly Over States First

- **Makes lower tax rates and brackets, doubled Guaranteed Standard Deduction, and Child Tax Credit from the 2017 Trump Tax Cuts permanent:**
 - Making these provisions permanent stops the \$1,700 tax hike on American families.
 - Further increases the Standard Deduction and Child Tax Credit for the Trump Presidency.
- **Protects Rural America's ability to help deliver fuels for America:**
 - Ensures American farmers are not crowded out by Chinese cooking oil and other foreign imports in liquid fuel production markets.
- **Lowers the cost of borrowing for America's farmers:**
 - Reduces the tax burden on interest income for loans secured by real property for agricultural production.
- **Raises the 1099-MISC threshold from \$600 to \$2,000:**
 - Lowers the administrative burden for small farmers and ranchers employing temporary and seasonal workers.



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Extending Trump's Tax Cuts Will Make Rural America Great Again After Neglect Under Joe Biden

- Following the enactment of the 2017 Trump Tax Cuts, small- and medium-sized family farms saw their **effective tax rates decrease by up to 6%**.
- Should the **rates and brackets** from the Trump Tax Cuts **expire**, farm households would see their **tax liabilities increase by nearly 12%**.
- If the 199A Small Business Deduction is allowed to expire, family farms utilizing the deduction will see their **tax bill increase by \$2,500**.
- The average Child Tax Credit (CTC) claimed by farm households is \$3,770. If the CTC expansion **expires**, that average would **decrease by 64% to \$1,331**.

The One, Big, Beautiful Bill Reduces Taxes on Farmers by Over \$10 Billion

