

Taxes

Pea, lentil and chickpea farmers are facing escalating competition from around the world. There is increased pressure to lower the cost of producing these products in order to compete. If US farmers are to compete in this new world order, then production costs must be lowered and incentives to reinvest in their businesses encouraged. The USADPLC feels the following changes to the US tax code would help farmers compete in today's marketplace.

- 1. Inheritance Tax Reform.** Family farms are one of many small, family-owned businesses that would benefit from reforms in the inheritance tax laws. The current law is a financial burden on those trying to pass their small businesses on to their children. The USADPLC supports the reform of the inheritance tax system so that family farms can remain in the family. USADPLC also supports continuation of the rule to allow “the step up in basis” for the heirs at the time of inheritance.
- 2. Investment Tax Credit.** In order to compete, farmers need to invest in new technology. The USADPLC supports the return of an investment tax credit.
- 3. Depreciation Allowance \$250,000.** The USADPLC supports an increase of the depreciation allowance for agriculture to \$250,000 per tax year.

Transportation Issues

Transportation: The USADPLC supports fair, efficient and cost effective movement of dry peas, lentils and chickpeas in the US transportation system. Specifically, the USADPLC endorses:

1. Rail Transportation

- a. **Processor Exemption.** Industry supports continuation of BNSF Processor Exemption or similar program.
- b. **Quoted Rates.** Honoring published and/or quoted rates for rail service.
- c. **Railcar Supply.** Increasing railcar supply and service to all shipment sizes.
- d. **Short line railroads.** Increase State and Federal funding of short line railroads.
- e. **Northern Tier Double Track.** The USADPLC supports the construction of a double track across the northern tier of the US (Chicago to Seattle) to assist our industry in moving its product to market.

2. River Transportation

- a. **Dredging.** Increase funding for maintenance and dredging of water transportation channels.
- b. **Dam Removal.** The USADPLC supports maintaining the current Pacific Northwest (PNW) river transportation system and opposes the removal of PNW dams.

3. Trucking

USADPLC supports DOT and State DOT to continue the farmer exemption.

FGIS Policies

1. Additional Pulse Grading Office. Grading of pulse crops—dry peas, lentils and chickpeas—have been conducted by the FGIS offices in Moscow, ID, and Grand Forks, ND. The expansion of acres across the Northern Plains over the last five years has seriously strained the ability of these offices to provide timely response to the industry. In an informal survey of the industry, two locations were selected as equal in improving the response of FGIS providing a better service. ***The USADPLC requests the establishment of an additional grading facility in either Minot or Williston, ND to provide more immediate services for the pulse industry.***

Miscellaneous

1. Earmarks: The USADPLC believes that Congress has a duty to fund projects, programs and infrastructure that will benefit the people of this country. We believe that those projects should be fully debated and considered in the normal legislative process and not in the dark of night with no debate. We believe that earmarks like the Cool Season Food Legume (CSFL) program was openly debated and considered under the normal legislative process. The debate over “earmarks” is really a debate over whether or not the legislative branch should pass all control of the federal budget to the Administrative branch. We believe that our elected officials, versus the Administration, are in a better position to evaluate the infrastructure needs of their individual states. ***Therefore, the USADPLC supports Congressional Earmarks as the responsibility of Congress to direct funds to needed projects that will benefit the citizens of this country.***