

FACT SHEET

WORKING FAMILIES TAX CUTS

USHERING IN A NEW GOLDEN AGE



President Trump's Tax Cuts Delivers Relief to America's Heartland

Ensures America's Farmers Produce More and are Burdened Less

96%

of America's farms are
family-owned farms

88%

of America's farms are
small family farms

America's hard-working farmers, ranchers, and producers are the backbone of rural economies. President Trump's Working Families Tax Cuts helps them *keep more* of their hard-earned income, *invest* in their operations, and *preserve* their family farms.

Keeps Family Farms in the Family

- 🏡 **Permanent Enhanced Death Tax Exemption:** protects America's two million family-owned farms and ranches from a massive tax penalty for passing on their family farm to the next generation
 - This exemption is increased and adjusted annually for inflation to \$15 million so that farmers and ranchers are not forced to sell off land, equipment, or cattle to pay a tax bill
- 🏡 **Capital Gains Deferral from Farmland Sales for New Farmers:** supports a new generation of farmers by allowing capital gains tax deferral from farmland sales so sellers can pay taxes on the gain over a four-year period rather than in one lump sum
 - This allows financial flexibility for the transfer of land from retiring farmers to new, active producers so farmland can stay in production



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Makes Farming More Affordable

- 🏡 **Permanent 20% Small Business Deduction:** allows small businesses, including family farms and ranches, to deduct 20 percent of their business income so they can grow and hire employees
- 🏡 **Permanent 100% Immediate Expensing:** helps farm and ranch families immediately afford the equipment needed to operate their farms and invest in their operations
- 🏡 **Doubled Small Business Expensing:** increases threshold to \$2.5 million so farmers and ranchers can immediately deduct the full purchase of equipment like machinery, tractors, grain bins, irrigation systems, and fencing
- 🏡 **Lowers the cost of borrowing for America's farmers:** encourages financing for rural and agricultural development by allowing qualified lenders to exclude 25 percent of interest income tax on real estate used for production purposes

Grows America's Farms and Rural Businesses

- 🏡 **Permanent Renewal of Opportunity Zone Program:** provides over \$100 billion investment to rural and distressed communities
- 🏡 **Immediate Expensing for Production Facilities:** allows the entire cost of newly constructed agriculture production facilities to be written off, helping family farm operations grow
- 🏡 **Increased 1099-MISC/NEC threshold from \$600 to \$2,000:** lowers the administrative burden for small farmers and ranchers employing temporary and seasonal workers

