

Amendment offered by Congressman Randy Feenstra

Brief Summary

This amendment ensures that no farmer with income below \$400,000 will face increased tax burdens because of the relevant tax provisions in this Act.

**AMENDMENT TO COMMITTEE PRINT
OFFERED BY MR. FEENSTRA OF IOWA**

At the end of subtitle A, add the following:

1 **SEC. 10002. PROTECTING FARMERS FROM BROKEN PROM-**
2 **ISES.**

3 (a) **LIMITATION ON OBLIGATIONS.—**

4 (1) No funds shall be obligated under this title
5 until the Secretary of Agriculture, in consultation
6 with the Secretary of the Treasury, certifies to the
7 Committee on Agriculture of the House of Rep-
8 resentatives and the Committee on Agriculture, Nu-
9 trition, and Forestry of the Senate that no qualified
10 taxpayer with an adjusted gross income of less than
11 \$400,000 will face increased qualified tax burden be-
12 cause of the relevant tax provisions in this Act.

13 (2) In making the certification under paragraph
14 (1) to the Committee on Agriculture of the House
15 of Representatives and the Committee on Agri-
16 culture, Nutrition, and Forestry of the Senate, the
17 Secretary shall include a report which summarizes
18 the impact of the relevant tax provisions of the Act.
19 The report shall be prepared by a land grant institu-
20 tion which maintains a farm-level policy simulation

1 model which utilizes data derived from representa-
2 tive farms across the major production regions of
3 the country.

4 (b) REPORT ON THE FARM EXEMPTION.—If the Sec-
5 retary is unable to make such certification in subsection
6 (a), the Secretary shall submit to the Committee on Agri-
7 culture of the House of Representatives and the Com-
8 mittee on Agriculture, Nutrition, and Forestry of the Sen-
9 ate and to the Secretary of the Treasury, proposed amend-
10 ments to the rules and regulations effectuating the rel-
11 evant tax provisions or statutory provisions as necessary
12 to eliminate any new qualified tax burden on any qualified
13 taxpayer with an adjusted gross income of less than
14 \$400,000.

15 (c) HOLD HARMLESS PROVISIONS.—If, after such
16 time as the Secretary shall make a certification under sub-
17 section (a) or presents the report in subsection (b), any
18 qualified taxpayer presents to the Secretary evidence of
19 an increased qualified tax burden caused by the relevant
20 provisions of this act, the Secretary shall remit to the
21 qualified taxpayer an amount equal to 120 percent of the
22 increased qualified tax burden.

23 (d) DEFINITIONS.—In this section:

1 (1) The term “adjusted gross income” has the
2 meaning given such term in section 62 of the Inter-
3 nal Revenue Code of 1986.

4 (2) The term “relevant tax provisions” means
5 any provision of this Act which modifies—

6 (A) section 1014 of such Code;

7 (B) section 1(h) of such Code;

8 (C) section 199A of such Code; or

9 (D) section 1031 like-kind exchanges.

10 (3) The term “qualified tax burden” means any
11 tax liability which is due or incurred by a taxpayer,
12 including a liability which is deferred until a later
13 date or event.

14 (4) The term “qualified taxpayer” means any
15 taxpayer engaged in the production, processing,
16 marketing, distribution, or exporting of an agricul-
17 tural product (as such term is defined in section 207
18 of the Agricultural Marketing Act of 1946 (7 U.S.C.
19 1626)), including any related business the primary
20 function of which is providing goods or services to
21 an agricultural enterprise.

22 (e) APPROPRIATIONS.—Notwithstanding subsection
23 (a), the Secretary shall use such sums as may be necessary

1 from the amounts appropriated under this title to carry
2 out this section.

