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 E, add the following:

SEC. 10002. PROTECTING FARMERS FROM BROKEN PROMISES.

(a) LIMITATION ON OBLIGATIONS.—

(1) No funds shall be obligated under this title until the Secretary of Agriculture, in consultation with the Secretary of the Treasury, certifies to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that no qualified taxpayer with an adjusted gross income of less than $400,000 will face increased qualified tax burden because of the relevant tax provisions in this Act.

(2) In making the certification under paragraph (1) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Secretary shall include a report which summarizes the impact of the relevant tax provisions of the Act. The report shall be prepared by a land grant institution which maintains a farm-level policy simulation.
model which utilizes data derived from representative farms across the major production regions of the country.

(b) REPORT ON THE FARM EXEMPTION.—If the Secretary is unable to make such certification in subsection (a), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate and to the Secretary of the Treasury, proposed amendments to the rules and regulations effectuating the relevant tax provisions or statutory provisions as necessary to eliminate any new qualified tax burden on any qualified taxpayer with an adjusted gross income of less than $400,000.

(e) HOLD HARMLESS PROVISIONS.—If, after such time as the Secretary shall make a certification under subsection (a) or presents the report in subsection (b), any qualified taxpayer presents to the Secretary evidence of an increased qualified tax burden caused by the relevant provisions of this act, the Secretary shall remit to the qualified taxpayer an amount equal to 120 percent of the increased qualified tax burden.

(d) DEFINITIONS.—In this section:
(1) The term "adjusted gross income" has the meaning given such term in section 62 of the Internal Revenue Code of 1986.

(2) The term "relevant tax provisions" means any provision of this Act which modifies—

(A) section 1014 of such Code;

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

(C) section 199A of such Code; or

(D) section 1031 like-kind exchanges.

(3) The term "qualified tax burden" means any tax liability which is due or incurred by a taxpayer, including a liability which is deferred until a later date or event.

(4) The term "qualified taxpayer" means any taxpayer engaged in the production, processing, marketing, distribution, or exporting of an agricultural product (as such term is defined in section 207 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1626)), including any related business the primary function of which is providing goods or services to an agricultural enterprise.

(e) APPROPRIATIONS.—Notwithstanding subsection (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.
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