

Sen. Roy Blunt (R., Mo.) Discusses Estate Tax Issues on Senate Floor  
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My friend from Wyoming just talked about the death tax, the estate tax. For all the reasons he mentioned, this is another tax we need to look at doing something about before it goes back to the taxable levels of 10 years ago. There are 2 million family farms or farms and ranches in the United States—2 million—and 98 percent of them—almost 2 million—are owned by individuals, family partnerships, and family corporations. To any extent this is corporate agriculture, it is only corporate agriculture because a family decided that was the best way to structure what they owned as a family—98 percent of those 2 million farms.

Cropland prices have gone up more than most things over the last few years, though nobody's bank account, if a person is a family farmer, reflects that. A person's financial statement might reflect that, but their bank account doesn't reflect that unless that person decided they were going to sell part of the farm. What we don't want to do is make people sell the farm or ranch or continue to have a little piece of the farm or ranch and more likely sell a piece of it and that multigeneration of family farms, in most cases, the person who dies and their family is impacted by the death tax, can very likely become the last farming generation.

At a time when we need to focus on job creation, the Joint Tax Committee estimates that the increase in the estate tax would cost the country over 1 million jobs. Senator BARRASSO talked about the State of Wyoming. In the State of Missouri, we have the second highest number of farms in the Nation. They are not the second biggest in many cases but the second highest number.

We have over 100,000 individual farms. The American Farm Bureau says that right now, with the tax that is in place, 1,100 of those farms would be subject to the estate tax or the death tax—1,100. If we go back to the 2000 levels of \$1 million, which would be taking us over the cliff—as going over the cliff would have us do—15,000 Missouri families would be affected at some point in the future by the estate tax. The difference in 1,100 and 15,000 is 13 times as many families would have to worry about this tax, and it becomes the motivating factor of how they run their farm rather than how they can pass their farm or ranch along to the next generation. I don't have the number in front of me, but when I looked at those numbers earlier in the year, I think it was about nine times as many small businesses in my State would be affected by the 2000 levels as would be affected if that same estate was taxed at today's levels.

We have people stepping forward on this from both sides of the aisle. I recently discussed this issue with the chairman of the Finance Committee, Senator BAUCUS from Montana, who has spoken out about protecting farmers and ranchers in his State who want to pass their property along to their children. I told him I would do anything I could to help him maintain the estate tax levels we have now, though both he and I are in support of legislation that would eliminate the estate tax. That would be my preference. But very often in a democracy we don't get our preference. We try to figure out what we might be able to accomplish that is not quite all we would want to accomplish. Keeping this year's level would be important.

Senator LANDRIEU from Louisiana called the estate tax at this year's levels of estate tax 'a make or break issue' and called it 'inherently unfair.' Senator PRYOR from Arkansas has stressed the need for "stability" so families can plan. Whatever we do with these tax policies, as much as possible, we need to do them in a permanent way. This business of going 1 year at a time or 2 years at a time on the estate tax—if someone's family has a taxable estate event this year, it is not a big deal; if they have it in January, it is devastating. We don't need to continue to have that.

This shouldn't be a partisan issue. It is about protecting families and the things they have put together, often working side by side as a family. We need to work across the aisle on this issue and other issues.