

# *Family Business Estate Tax Coalition*

October 12, 2010

Dear Senator:

On behalf of the Family Business Estate Tax Coalition (FBETC), we are disappointed that Congress failed to pass meaningful estate tax relief for family businesses and farms prior to adjourning for the November elections. Family businesses and farms need resolution now because at the end of 2010 the estate tax rate will increase to 55 percent and exemption amount will fall to \$1 million.

The significant cost to plan for the estate tax reduces investment in business growth and job creation, and is only made worse by the current uncertainty surrounding the tax. Without a permanent solution, there are no assurances that these businesses and family farms will continue to operate in future generations. The goal of the FBETC has always been full repeal of the estate tax, and we still believe this is the best solution to protect all family-owned businesses from the estate tax. While we understand that permanently extending full repeal may not be immediately possible, the FBETC has supported the Lincoln/Kyl proposal in the Senate and a similar bill in the House introduced by Rep. Berkley and Rep. Brady (H.R. 3905).

These bipartisan proposals increase the exemption level to \$5 million and reduce the rate to 35 percent. These proposals also ensure that any relief related to the exemption is tied to inflation and that stepped-up basis is included. The higher exemption level and reduced rate will lessen the burden of the estate tax and provide family businesses and farms with more capital to create much needed jobs and invest in their business.

Immediate estate tax relief is needed to ensure businesses can make sound economic decisions. We urge you to pass permanent estate tax relief with a \$5 million exemption and 35 percent rates as soon as possible.

Sincerely,

The Family Business Estate Tax Coalition

American Farm Bureau Federation ®  
American Forest & Paper Association  
American Foundry Society  
AIADA, American International Automobile Dealers Association  
American Rental Association  
American Wholesale Marketers Association  
AMT - The Association For Manufacturing Technology  
Associated General Contractors of America  
Communicating for America  
Financial Executives International's Committee on Private Company Policy  
Food Marketing Institute  
Heating, Airconditioning & Refrigeration Distributors International (HARDI)  
Independent Community Bankers of America  
Independent Insurance Agents & Brokers of America  
International Foodservice Distributors Association  
International Franchise Association  
International Sign Association  
Marine Retailers Association of America  
Mason Contractors Association of America  
Mortgage Bankers Association  
National Association of Home Builders  
National Association of Manufacturers  
National Association of Wholesaler-Distributors  
National Automobile Dealers Association  
National Beer Wholesalers Association  
National Black Chamber of Commerce  
National Cattlemen's Beef Association  
National Federation of Independent Business  
National Funeral Directors Association  
National Grocers Association  
National Lumber and Building Material Dealers Association (NLBMDA)  
National Newspaper Association  
National Restaurant Association  
National Roofing Contractors Association  
National Small Business Association  
National Telecommunications Cooperative Association  
National Tooling Machining Association  
National Utility Contractors Association  
Newspaper Association of America  
North American Die Casting Association  
Plumbing-Heating-Cooling Contractors – National Association

Family Business Estate Tax Coalition

Policy and Taxation Group  
Precision Machined Products Association  
Precision Metalforming Association  
Printing Industries of America  
Service Station Dealers of America and Allied Trades  
Society of American Florists  
The Bowling Proprietors' Association of America  
Tire Industry Association  
U.S. Chamber of Commerce  
Wine & Spirits Wholesalers of America  
Wine Institute  
WineAmerica