

## **NATIONAL CORN GROWERS ASSOCIATION**

632 Cepi Drive

Chesterfield, Missouri 63005

Visit the NCGA Web site, <http://www.ncga.com>, or e-mail at [corninfo@ncga.com](mailto:corninfo@ncga.com)

### **FOR IMMEDIATE RELEASE**

For more information contact:

Janice Walters, NCGA, 202-628-7001

walters@dc.ncga.com

### **NCGA Thanks Congress, President for Ethanol Tax Credit Extension, Estate Tax Exemption**

WASHINGTON (December 17, 2010) -- The National Corn Growers Association today thanked President Obama and members of Congress for their action this week on tax legislation that extends the Volumetric Ethanol Excise Tax Credit and provides an important estate tax exemption.

"We are very happy to see the one-year extension of the ethanol blender's credit and a two year reformed estate tax move," said NCGA President Bart Schott, a corn farmer in Kulm, N.D. "These extensions were among the top priorities for our organization in 2010; failure to renew both would have done much to harm our nation's rural economy and the future of America's farms."

In addition to providing and supporting 400,000 jobs here in the United States, ethanol is an important part of our nation's energy mix because it reduces dependence on foreign oil and cuts greenhouse gas emissions, Schott added. The U.S. Environmental Protection Agency estimates that corn ethanol provides up to a 52 percent reduction in greenhouse gases compared to gasoline.

"We would like to thank Senators Charles Grassley and Kent Conrad for their important work on this issue. Senator Grassley in particular has worked for many years to maintain the VEETC at the current rate of 45 cents," Schott said. "With VEETC extended for one year, we are also focused on other initiatives to help ethanol expand and compete. This includes expanding the availability of flex-fuel vehicles and blender pumps, as well as working to suspend the so-called international indirect land use change penalties on corn ethanol."

The legislation also provides an exemption and top rate for the estate tax, set to expire at the end of 2010, for two years. Instead of reverting to the \$1 million exemption and 55 percent top rate, the legislation provides for a \$5 million exemption and a top rate of 35 percent. If the estate tax had not been reformed, many of America's farmers would have been forced to sell assets such as land, machinery and buildings to pay the inheritance tax.

"The estate tax reform will allow greater flexibility when planning for the future and farmers won't have to worry about losing their land to pay an inheritance tax," Schott said. "Farmers now have a better ability to pass their land onto the next generation and we can keep America's farms in our families."

Importantly, the bill also extends all existing individual income tax, capital gains, dividend tax rates for two years and extends dozens of short-term tax breaks including the deduction for state and local income taxes. The bill also features measures aimed at stimulating the economy, including a provision to allow businesses to depreciate 100 percent of the cost of new capital investments made in 2011 and a cut in the Social Security payroll tax on the employee side from 6.2 percent of wages to 4.2 percent.

**# # #**

**Founded in 1957, the National Corn Growers Association represents 35,000 dues-paying corn farmers nationwide. NCGA and its 48 affiliated state organizations work together to create and increase opportunities for their members and their industry.**