



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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FOR IMMEDIATE RELEASE
Friday, June 11, 1976

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FINANCE COMMITTEE ADOPTS DOLE FARM ESTATE TAX RELIEF PROPOSAL

Washington, D. C. -- The Senate Finance Committee today tentatively passed Senator Bob Dole's farm estate tax relief plan. It would allow farm property to be valued on the basis of its use as a farm rather than its fair market value. The amendment is designed to substantially reduce the estate tax burden on farm estates which in recent years have been subject to overstated valuations based on their potential for residential or commercial development.

"Today's Committee action is a major step forward in preserving the family farm in America. All too often in the past, farm estates have been subject to high values which do not accurately reflect their value as farms. Sons and daughters have had to sell family farms which have been held for generations just to pay the federal estate tax. As a result, big corporations -- which don't have to pay the estate tax -- are buying up vast amounts of farmland. By assessing the true worth of the estate as a farm and substantially increasing the tax exemption level, family farms in Kansas and around the nation will be given a major boost," Dole said.

Dole's amendment, if enacted, would reduce the overall estate tax burden on farm families by millions of dollars each year.

The Committee also agreed to substitute a \$50,000 credit for the current \$60,000 estate tax exemption. This provision would, when fully effective, remove the estate tax on all taxable estates of about \$200,000 or less. The credit would be phased in over the next four years.