

News from Senator

# BOB DOLE



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TAX PROBLEMS ELIMINATED, DOLE HAILS PASSAGE OF PIK BILL --  
URGES FARMER SIGN-UP BEFORE MARCH 11 DEADLINE

WASHINGTON -- Pointing to the elimination of potential tax problems associated with the Administration's "PIK" plan, Kansas Senator Bob Dole today applauded the Congressional passage of the Payment-In-Kind crop program.

"The farmers of America have had to live with the uncertainty of tax treatment of participants under the PIK program long enough. Today's passage should at last remove any doubts about the program," Dole said. "The deadline for sign-up is tomorrow -- I urge farmers to join immediately."

Thursday's Senate vote for "PIK" follows approval by the House last night, and means the bill needs only the President's signature to become law.

Under "PIK", farmers who agree to idle more than 20 percent of their acreage will be compensated with surplus commodities, a transaction designed to reduce bulging surpluses and balance supply and demand in the commodity markets.

As a result of the PIK bill, farmers participating in the program will not be required to pay taxes on PIK commodities until the year of sale.

"This bill responds to all known major concerns on the tax implications of PIK. It clears the air by allowing farmers to treat PIK commodities for tax purposes as if they had produced the crops themselves," Dole said.

Dole also noted that the bill covers crops planted in the fall of 1983 for harvest in 1984, a provision that will take care of winter wheat producers under a 1984 PIK.

"The choice before Congress was clear: we could pass the PIK bill, or we could delay and throw the entire program into confusion -- along with the nation's economy," Dole said. "I am pleased Congress was able to do the right thing."