

03/19/2003 House Passes Moran Bill to Assist Kansas Livestock Producers

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WASHINGTON, D.C. - Congressman Jerry Moran today announced that the U.S. House of Representatives passed legislation to assist Kansas livestock producers. The worst drought in 108 years has dried out pastures and water sources across the Midwest, forcing farmers and ranchers to sell part or all of their livestock. This legislation will provide some tax relief to those ranchers.

"It is good to see the House recognize the magnitude of this drought and act to assist our livestock producers," Moran said. "It's been a long fight, but we have finally had some success in providing relief to our state's farmers and ranchers."

Under current law, a rancher has two years after the weather-related sale of livestock to reinvest in his herd without tax consequences. This is often not long enough to rebuild a herd. The legislation approved by the House today will give ranchers an additional two years to replace the herd without being taxed on capital gains from the sale. This legislation would be retroactive to January 1, 2001.

"Parts of Kansas are experiencing their fourth consecutive year of drought, and ranchers simply cannot provide the feed and water necessary to replace their herd while the drought is ongoing," Moran concluded. "This assistance will help alleviate the unfair taxation and help them to rebuild."

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