

6/17/2004 House Passes Moran Bill to Assist Livestock Producers

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Provision Included in Larger Tax Bill

WASHINGTON, D.C. - Congressman Jerry Moran today announced that the U.S. House of Representatives has passed legislation that would provide tax relief to ranchers forced to sell their livestock due to weather-related disasters. The original bill, which Moran introduced in January 2003, was included in the American Jobs Creation Act of 2004.

"As many parts of Kansas enter the fifth consecutive year of drought, we need to give our livestock producers every opportunity to recover from their losses and rebuild their herds," Moran said. "This change will help alleviate the unfair taxation our producers face when forced to sell off their herds because of the drought."

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. Moran's legislation would give ranchers up to four years after the sale of livestock to replace the herd without tax consequences. It would also give the U.S. Agriculture Secretary the discretion to extend this provision if the weather-related conditions continue for more than three years.

"I am pleased that we were able to pass this measure in order to help our producers who have faced several years of drought," Moran said.

The Senate passed similar legislation last month. A conference committee will now work out the differences between the House and Senate-passed versions of the legislation.

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