



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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August 3, 2006

U.S. Senate
Washington, DC 20510

Dear Senator:

On behalf of 1.2 million members of the NATIONAL ASSOCIATION OF REALTORS® I urge you to support efforts to enact H.R. 5970, the so-called “trifecta” bill.

The legislation includes several provisions that NAR has long sought. Two extenders are of particular interest. One would renew and extend the 15-year cost recovery period for leasehold improvements. Another expands and extends the deduction for expenditures associated with brownfields cleanup. These two provisions have always had bipartisan support and both represent sound tax policy.

NAR has long supported efforts to repeal the estate tax. In 2001, however, NAR expressed grave concerns about the carryover basis feature of the 2001 changes. Carryover basis imposes substantial complexity both on heirs and the IRS. Attempts between 1976 and 1980 to implement a carryover basis regime failed because the provision could not be effectively administered. H.R. 5970 retains the stepped-up basis regime that has been in place for most of the history of the estate tax. That feature alone is a sound reason to support the legislation. In addition, the proposed estate tax revisions form a workable compromise that will provide much needed certainty for families and business owners as they plan for the smooth distribution of family assets to their heirs.

We believe that H.R. 5970 should be enacted. We urge your support.

Sincerely,

Jerry Giovaniello
Sr. Vice President, Government Affairs
National Association of REALTORS®