

Family Business Estate Tax Coalition

March 3, 2010

The Honorable Harry Reid
Senate Majority Leader
S-221 Capitol Building
Washington, DC 20510

The Honorable Mitch McConnell
Senate Republican Leader
S-230 Capitol Building
Washington, DC 20510

Dear Majority Leader Reid and Republican Leader McConnell:

On behalf of the Family Business Estate Tax Coalition (FBETC), we urge you to pass permanent estate tax reform legislation as soon as possible. The uncertainty of the current law has left many family-owned businesses and farms guessing about their estate tax liabilities and unable to make prudent business decisions.

The goal of the FBETC has always been full repeal of the estate tax, and we still believe this is the best solution to protect all family-owned businesses from the estate tax. While we understand that full repeal may not be possible in the current environment, the FBETC supports a permanent estate tax provision that would increase the exemption level to \$5 million and reduce the maximum rate to 35%.

It is also imperative that any permanent relief related to the exemption is indexed to inflation, provides for spousal transfer and includes stepped-up basis. Estate tax reform that includes these important components is critical for businesses and family farms that are struggling to create much needed jobs and expand their businesses.

The significant costs to plan for the estate tax reduces investment in business growth and job creation, and is only made worse by the current uncertainty surrounding the tax. Without a permanent solution, there are no assurances that these businesses and family farms will continue to operate in future generations.

Immediate, permanent estate tax relief is needed to ensure businesses can make sound economic decisions. We look forward to working with you to address this issue as soon as possible.

Sincerely,

The Family Business Estate Tax Coalition

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American Farm Bureau Federation
American Foundry Society
American International Automobile Dealers Association
American Rental Association
American Wholesale Marketers Association
AMT -- The Association For Manufacturing Technology
Associated General Contractors of America
Association of Equipment Manufacturers
Bowling Proprietors' Association of America
Communicating for America
Comporium Group/Rock Hill Telephone Company
Financial Executives International's Committee on Private Company Policy
Food Marketing Institute
Heating, Airconditioning & Refrigeration Distributors International
Independent Community Bankers of America
Independent Insurance Agents & Brokers of America
International Franchise Association
Marine Retailers Association of America
Mason contractors association of America
Mortgage Bankers Association
National Association of Manufacturers
National Association of Realtors
National Association of Wholesaler-Distributors
National Automobile Dealers Association
National Beer Wholesalers Association
National Cattlemen's Beef Association
National Electrical Contractors Association
National Federation of Independent Business
National Funeral Directors Association
National Grocers Association
National Lumber and Building Material Dealers Association
National Restaurant Association
National Roofing Contractors Association
National Small Business Association
National Telecommunications Cooperative Association
Newspaper Association of America
North American Die Casting Association
Policy and Taxation Group
Printing Industries of America
S Corporation Association
Society of American Florists
Tire Industry Association
U.S. Chamber of Commerce

WineAmerica
Wine & Spirits Wholesalers of America