

## 119. FEDERAL ESTATE TAXES

We will support:

1. The repeal of federal estate taxes while still retaining a stepped up basis at the time of inheritance.
2. The exemption from federal estate taxes for heirs who are actively farming a farm property which is restricted by a voluntary conservation easement.
3. Elimination of the \$850,000 ceiling and limitation on the percentage of the total value of the estate allowed in determining the existing exemption under Internal Revenue Code 2032-A for agricultural productive value.
4. Increasing the maximum gift tax exclusion per recipient to \$50,000 per year.

We oppose any reduction in the current federal estate tax exemption. Until repeal becomes politically feasible, we support an increase in the exemption to \$10 million to ease the movement of farms and small businesses from one generation to the next. The exemption should be indexed for inflation.