The FairTax bill (HR 25/S 1025) does the following:

• Ends income tax planning, filing, and recordkeeping of any kind for all Americans, but especially for farmers and ranchers. The FairTax is only paid on elective, retail purchases of new goods or services for personal consumption.
• Exempts the purchase of farm, ranch, and business inputs. No tax on feed, seed, equipment, or any other input. No taxes on inputs.
• Eliminates personal, gift, inheritance, capital gains, alternative minimum, Social Security/Medicare, self-employment, and corporate taxes. The Social Security system is funded at current and future required levels through the sales tax, a much broader, more stable, and predictable source of funding for our nation’s retirement promise.
• Ends all federal payroll deductions.
• Eliminates the Internal Revenue Service as we know it. The number of tax returns is reduced from an estimated 175 million to Washington to about 14 million sales tax returns filed with state capitals.
• Dramatically and honestly lowers real tax rates for lower- and middle-income Americans through a simple rebate that ensures no one in America pays the federal tax on goods and services up to the poverty level.

More . . .
• **AFBF policy on income averaging and the alternative minimum tax**
The Farm Bureau supports income averaging to protect income from
taxation, especially the Alternative Minimum Tax (AMT).
http://www.fb.org/issues/backgrd/incomeave108.html

**FairTax action on income averaging and the AMT.**
The FairTax repeals all income taxes. Without income taxes, there is no
need for income averaging. Only personal (retail) consumption is taxed.
Since the FairTax also repeals the burdensome AMT along with all other
income taxes, the current distortions caused by the AMT are eliminated.

• **AFBF policy on self-employment taxes**
The Farm Bureau opposes self-employment taxes on Conservation Re-
serve Program (CRP) payments and land rental payments.
http://www.fb.org/issues/backgrd/selfemptax108.html

**FairTax action on self-employment taxes**
The FairTax repeals all self-employment taxes. Furthermore, with the
FairTax, farmers and ranchers no longer pay any taxes on income from
CRP payments or on income from the rental of land.

• **AFBF policy on stepped-up basis calculations**
The Farm Bureau supports stepped-up basis of property evaluations to
protect farmers and ranchers from excessive income taxes.
http://www.fb.org/issues/backgrd/steppedup108.html

**FairTax action on stepped-up basis calculations**
Because the FairTax repeals all capital gains taxes, there is no need to
calculate capital gains on either a stepped-up basis or on a carry-over
basis. Farmers and ranchers will buy or sell property at market value,
without the distortions caused by the current income tax code.
Furthermore, since businesses are exempt from the FairTax,
farmers and ranchers pay no federal sales tax on any of their
business inputs.

**What can you do?**
• *Make the FairTax an AFBF Priority Issue.*
• Get educated on the FairTax.
• Help your county and state farm bureaus in their
  support of the FairTax. Spread the word.
• Visit and write your senators and congressmen
  now. Ask them to co-sponsor HR 25/S 1025.
• Vote in your state primary and pass a FairTax
  platform plank in the party of your choice.

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• Frees time wasted filling out confusing IRS forms throughout the economy,
  increasing productivity dramatically of about three percent of gross domestic
  product.
• Raises the same amount of money for the federal
government the income tax
  raises today (revenue
  neutral).
• Reduces the cost of
  products and services
  purchased by farmers,
ranchers, and businesses. In
  addition, it reduces the retail
cost of goods and services
  purchased by all Americans
  by 20 to 35 percent.
• Supports a permanent end
to the federal taxation of
  income through a repeal of
  the 16th Amendment,
  returning the Constitution to
  its original wording.

[FairTax.org]
Support the national retail sales tax!
Americans For Fair Taxation
1-800-FAIRTAX