

the United States, and to the Minnesota Senators and Representatives in Congress.

Approved May 23, 1969.

RESOLUTION 8—H. F. No. 1520

A resolution memorializing Congress and the President of the United States to enact legislation limiting the right of non-farm corporations and individuals to write off farm losses against non-farm profits, for federal income tax purposes.

WHEREAS, national agricultural policies for nearly two centuries have encouraged the development of the family farm and the nation has benefited from this policy as industrious family farmers have built the most efficient agricultural base the world has ever known; and

WHEREAS, the American consumer expends a lower proportion of his income for food than the citizens of other nations as a result of the efficiency of family farms; and

WHEREAS, under the present federal income tax laws non-farm corporations and individuals may claim farm losses for the purpose of writing off non-farm profits; and

WHEREAS, a recent Internal Revenue Service study shows that twenty-two percent of all individuals filing farm income tax returns paid taxes on non-farm income and there is a direct correlation between individual adjusted gross income and farm losses; and

WHEREAS, an Internal Revenue Service analysis of income tax returns filed in the one hundred largest standard metropolitan areas shows that net farm losses in thirty-one standard metropolitan statistical areas totaling over one hundred forty million dollars were claimed by individuals living in those areas; and

WHEREAS, the Internal Revenue Service studies indicate that the write-off of farm losses against non-farm profits has become a widespread business practice resulting in the loss of millions of dollars of federal revenue annually; and

WHEREAS, the deliberate operation of farms at a loss for tax purposes by non-farm corporations and individuals is an unfair type

of competition for the family farm with detrimental results to the people living in rural America; now therefore

BE IT RESOLVED, by the Legislature of the State of Minnesota, that the President and Congress of the United States be, and the same are hereby, respectfully requested to enact legislation amending the Internal Revenue Code to limit the use of losses incurred in farming operations (except growing of vegetables by or for food processors and canneries and freezing plants) which can be used to offset income earned by other means for federal income tax purposes; and

BE IT FURTHER RESOLVED, that copies of this Resolution be transmitted by the Secretary of State of the State of Minnesota to the offices of the President and the Vice President of the United States, the Speaker of the House of Representatives of the United States, the Chairman of the Ways and Means Committee of the House of Representatives, the Chairman of Finance Committee of the Senate, the members of the Congressional delegation of the State of Minnesota, and the Commissioner of the Internal Revenue Service.

Approved June 6, 1969.
