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Governor Brownback Signs Bill to Benefit Agriculture

Governor Sam Brownback signed into law Thursday a bill containing two measures important to Kansas agriculture. Kansas Secretary of Agriculture Jackie McClaskey applauded the Kansas Legislature for the passage of Senate Bill 265.

The change in tax law will allow livestock producers to offset capital gains on the sale of cull cows and breeding livestock against business operating losses. This had been allowed in previous tax code, but a change in code in 2013 inadvertently removed the ability to offset capital gains tax. The passage of this bill restores that ability and will once again allow farmers and ranchers to appropriately manage their businesses tax liability. The change is particularly important to the dairy industry and will allow Kansas to remain the fastest growing dairy state in the country.

"We are thankful to Kansas legislators for understanding the importance of these issues and addressing them accordingly," McClaskey said. "Both of these issues have significant impact on the agriculture industry and will have long-term influence on economic growth for Kansas."

The bill also allows for capital investment in agriculture to be afforded sales tax exemption similar to other industries when an expansion or investment exceeds \$50,000.

"These measures are conducive to creating investment and promoting growth in agriculture, our state's largest economic sector," McClaskey said. "Our agency is committed to continuing to develop a business friendly culture in Kansas and supports changes like these that promote growth of agriculture businesses across Kansas."

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