

NCGA Federal Tax Priorities



The United States is a global leader in corn production, producing 14.9 billion bushels of corn on 90.6 million planted acres in 2024. In 2023, corn farming directly contributed an estimated \$20.7 billion to U.S. GDP and provided \$12.0 billion in labor wages and benefits.

Sustainable Aviation Fuel (SAF)

Corn growers across the country see sustainable aviation fuel (SAF) as an invaluable market that will shape the landscape of agriculture in the coming decades. The 45Z tax credit, also known as the Clean Fuel Production Credit (CFPC), has the potential to kick start this promising new industry. NCGA believes that the 45Z tax credit specifically, will aid in the domestic demand for corn via the aviation sector, create high paying jobs, and boost farm income across the country.

Tax Cuts and Jobs Act (TCJA) Provisions

The Tax Cuts and Jobs Act (TCJA) of 2017 includes federal tax policy provisions used by corn farmers to support and grow their family businesses. Corn growers support federal tax policies that strive to ensure long-term continuity and smooth transition between generations of family-owned, agriculturally based businesses.

Corn growers support the extension and continuation of the following federal tax provisions:

- the qualified business income deduction,
- 100% bonus depreciation,
- the expanded estate and gift tax exemptions, and
- the step-up in basis.

Background: In 2024, NCGA contracted an analysis of specific provisions of the federal tax code that are at risk of expiring and other tax provisions which are relied upon by grower members. The analysis included the economic impact of the tax provisions on small, medium, and large corn farmers.

Domestic Production and Use of Biobased Products

NCGA has been working with like-minded stakeholders to formulate a potential tax credit that would help renewable chemicals and material technologies overcome the “valley of death” as taxpayers work to move these technologies from research to commercialization. Increasing commercialization domestically will decrease our reliability on other countries and boost manufacturing in the United States while utilizing a variety of domestic feedstocks.