



September 22, 2016

Honorable Warren Davidson  
United States House of Representatives  
1011 Longworth House Office Building  
Washington, DC 20515

CC: Rep. Cynthia Lummis (R-WY), Rep. Gregg Harper (R-MS), Rep. Paul Gosar (R-AZ), Rep. Louie Gohmert (R-TX), Rep. Richard Hudson (R-NC), Rep. Ralph Abraham (R-LA), Rep. Dave Brat (R-VA), Rep. Chris Collins (R-NY), Rep. Rodney Davis (R-IL), Rep. Tim Huelskamp (R-KS), Rep. Trent Franks (R-AZ), Rep. Steve Chabot (R-OH), Rep. Andy Harris (R-MD), Rep. Tom Cole (R-OK), Rep. Doug LaMalfa (R-CA), Rep. Randy Weber (R-TX), Rep. Ted Yoho (R-FL), Rep. Pat Tiberi (R-OH), Rep. Bill Flores (R-TX)

Dear Congressman Davidson:

The Family Business Coalition supports your legislation, H.R. 6100, the *Protect Family Farms and Businesses Act* to stop the Department of Treasury's proposed changes to Section 2704 on estate and gift tax valuation discounts.

These proposed changes will drastically change the estate plans of family businesses hindering succession of family businesses to the next generation. The valuation rules allowed under Section 2704 are legitimate tools used by experts to fairly value a family business, not a loophole as the Treasury Department has claimed.

These proposed regulations dismiss multiple recent attempts by Congress to scale back and eliminate the estate tax. On April 16, 2015, the House passed the *Death Tax Repeal Act* (H.R. 1105) on a bipartisan basis 240-179. In March 2015, the Senate passed a budget amendment to repeal the estate tax (S. Amdt. 607) and in 2013, 80 Senators voted to "to repeal or reduce the estate tax, but only if done in a fiscally responsible way" (S. Amdt. 693). The Department of Treasury's actions to bypass Congress to enact rules subjecting more family businesses to the estate tax rebukes the hard work elected officials have done to reform and repeal the tax altogether.

The Family Business Coalition strongly supports your legislation to protect family business and farms from the proposed Department of Treasury regulations.

Yours truly,

A handwritten signature in black ink, appearing to read "Palmer Schoening". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Palmer Schoening  
Chairman,  
Family Business Coalition