

**AGRIBUSINESS COUNCIL OF INDIANA NEWSLETTER**

***Promoting Agribusiness Policy in Indiana***

***November 10, 2017***

**Senate introduces its tax plan proposal**

*Source: National Grain & Feed Association*

Senate Finance Committee Republicans on Nov. 9 unveiled their framework for overhauling the tax code, diverging in some areas from the House plan approved by the House Ways and Means Committee this week.

The Senate's proposal would reduce the corporate tax rate from 35 percent to 20 percent, but would delay this cut until 2019. The Senate plan also would eliminate a provision of current tax law that allows state and local tax deductions. The House bill would allow a deduction for up to $10,000 in property taxes, but end deductions for income or sales taxes; the Senate Republican bill would eliminate all of them. Among other differences, the Senate bill would retain seven income brackets for individuals and families, whereas the House bill proposes collapsing the existing seven brackets down to four.

Similar to the House proposal, the Senate plan limits the deduction for net interest expense to 30 percent of adjusted taxable income, according to Senate Finance Committee Chairman's Orrin Hatch, R-Utah, [chairman's mark](https://protect-us.mimecast.com/s/1dDnBYt4kwWbiN?domain=r20.rs6.net). The NGFA and several other national agribusiness groups are communicating with House and Senate lawmakers to advocate for [maintaining interest deductibility](https://protect-us.mimecast.com/s/VAOEBGTEmlZxhK?domain=r20.rs6.net), as the interest paid on business loans has been 100 percent tax deductible for the past century. The Senate Finance Committee is scheduled to bring its markup of the tax reform plan to the committee for consideration on Nov. 13.

**China lifts DDGS tax**

*Source: National Grain & Feed Association*

China no longer will impose an 11-percent value added tax (VAT) on imports of U.S. distiller's dried grains with solubles (DDGS), as reported in key areas of consensus between the United States and China during President Donald Trump's official state visit this week. Although the VAT is lifted, anti-dumping and countervailing duties against U.S. DDGS remain. The duties are the result of China's Ministry of Commerce investigations that began in January 2016. According to the U.S. Grains Council, U.S. DDGS exports to China fell from 5.4 million metric tons in 2015 to 3.3 million metric tons in 2016 and just 739,000 tons so far in 2017.

**Help Lobbying for NAFTA**

*Source: National Grain & Feed Association*

What are you doing for lunch? Would you mind taking a couple of minutes to give NGFA’s New Advocacy tool a spin?

**Why?** Now is a good time to weigh-in! NGFA has met with more than 20 Congressional Offices this month to reiterate how big a success story trade has been to U.S. agriculture in the North American market. With many news reports indicating the Administration may withdraw from NAFTA, this is an action opportunity to share the “do no harm” to agriculture message with your Senators and Congressman/woman. **Will you help us?**

**Here’s How!!!**

Step 1: Click on [NGFA’s Supporting NAFTA Page](https://protect-us.mimecast.com/s/mmoXB0T176woiA?domain=cqrcengage.com)

Step 2: Click on the **“Take Action”** Drop Screen

Step 3: Fill out your identifying information and then click **“Submit”**

Step 4: Under the list of Elected Recipients, you’ll see NGFA’s NAFTA Sample Message. Leave as is or tailor/personalize as you see fit. Then hit **“Submit”**

**House of Representatives Unveils Tax Reform Bill**

*Source: The Fertilizer Institute*

Today, the House Republicans unveiled their long awaited tax reform legislation, the "[Tax Cuts and Jobs Act](https://protect-us.mimecast.com/s/278ZBLUnN5xXFL?domain=r20.rs6.net)" (H.R. 1). A few of the [notable changes](https://protect-us.mimecast.com/s/6RoMB5Cgq6lJiJ?domain=r20.rs6.net) are as follows:

* Lowers the corporate tax rate to 20 percent and makes it permanent
* Allows businesses to immediately write off the full cost of new equipment
* Preserves the Research & Development Tax Credit
* Repatriation of oversees profits to be taxed at 5 percent
* Establishes strong safeguards to distinguish between individual wage income and "pass-through" business income
* Reduces the tax rate on business income to no more than 25 percent but places limits on the kind of income that would qualify
* Provides immediate relief from the Estate Tax by doubling the exemption and repealing the Estate Tax over after six years
* Protects the ability of small businesses to write off the interest on loans
* Lowers individual tax rates for low- and middle-income Americans to 0 percent, 12% percent, 25 percent, and 35 percent; keeps tax rate for those making more than $1 million at 39.6 percent
* Allows deduction for state and local property taxes up to $10,000; repeals reduction for state and local income and sales taxes
* Retains retirement savings options such as 401(k)s and Individual Retirement Accounts
* Repeals the Alternative Minimum Tax
* Continues the deduction for charitable contributions

The House Committee on Ways and Means is expected to hold a markup of the legislation within the next week. The Senate Committee on Finance, which will release its own bill, is expected to hold a markup as early as the week of Nov. 13.  Both chambers are hoping to pass their respective bills before the Christmas Holiday.

TFI will work with our members to review the bill and assess potential implications on the fertilizer industry.  In the meantime, please contact Mica Clark with any questions or concerns.

**Rebuild Rural Coalition Request for Infrastructure Stories**

As REBUILD RURAL continues to work to raise awareness for rebuilding rural infrastructure, please help by consider identifying an anecdote from your respective organization or membership that conveys the need for investment in rural infrastructure and the impact that this investment would have on rural communities.  Ideally, the best stories underscore both the breadth & depth of the need facing our rural communities.  You can find a [submission form](https://protect-us.mimecast.com/s/pVqrBXcbw5d9tV?domain=st.fccouncil.com) for your stories [HERE](https://protect-us.mimecast.com/s/pVqrBXcbw5d9tV?domain=st.fccouncil.com) and an [example](https://protect-us.mimecast.com/s/LLO4BJi7eEr6uK?domain=st.fccouncil.com) of a completed submission [HERE](https://protect-us.mimecast.com/s/LLO4BJi7eEr6uK?domain=st.fccouncil.com).  If you could please e-mail these stories to [RuralInfrastructure@fccouncil.com](mailto:RuralInfrastructure@fccouncil.com) as soon as convenient, this will greatly help raise awareness of the need across Rural America.  Thank you in advance for your time and consideration related to this endeavor.

**FDA provides insights on FSMA implementation at 2017 Feed and Pet Food Joint Conference**

*Source: NGFA*

As the keynote speaker of the 2017 Feed and Pet Food Conference, Dr. Steve Solomon, director at FDA's Center for Veterinary Medicine (CVM), outlined CVM's key regulatory initiatives, including the ongoing implementation of the Food Safety Modernization Act (FSMA). Achieving a high rate of compliance within the industry is the overarching goal of CVM's implementation activities, he said, reiterating that FDA will continue to utilize an "educate before and while we regulate" approach during its initial inspection activities.

 During another major conference session, Jenny Murphy, consumer safety officer in the Office of Surveillance and Compliance at CVM, provided details associated with implementation of FSMA-related rules that have the potential to affect animal food. FDA intends to conduct at least 500 CGMP inspections during fiscal year 2018 and Murphy noted that CVM recently released [final animal food CGMP guidance for industry](https://protect-us.mimecast.com/s/zNk2B6cLZoXNtM?domain=r20.rs6.net). She also noted that FDA currently plans to begin inspections related to requirements established under FDA's rule for sanitary transportation of human and animal food toward the end of fiscal year 2018.

[FSMA-related compliance dates](https://protect-us.mimecast.com/s/rxdLB0tDvnxQtw?domain=r20.rs6.net) are set for each major rule and staggered by business size. FDA intends to make the first section of draft guidance to industry for the preventive control requirements available early in 2018. [View more details and find a variety of FSMA resources from the NGFA here.](https://protect-us.mimecast.com/s/ZpkQB1C02JWDtQ?domain=r20.rs6.net)

**U.S. EPA Announces Dicamba Label Changes**

*Source: Illinois Fertilizer and Chemical Association*

On October 13, U.S. EPA announced and issued new labels for the three approved over the top dicamba herbicide formulations for soybeans:  Engenia, XtendiMax and FeXapan.  Click [**here**](https://www.epa.gov/pesticides/epa-and-states-collective-efforts-lead-regulatory-action-dicamba) to see the USEPA news release.

The new label requirements are extensive and seek to address the issues determined in 2017 that led to symptomology in sensitive soybeans and other sensitive crops.  The changes include:

 1.  Classifying these three products as Restricted Use Pesticides; in addition the certified private and commercial applicators and operators must complete specific training on these product labels prior to performing an in-crop application.

 2.  Specific recordkeeping requirements for the following items:  name of applicator; applicator certification #; product name; USEPA registration number; total amount applied; application month, day and year; location of the application; crop or site receiving the application; proof of training; time of the application; receipts of the product purchase; a copy of the product label; documentation of the date that the applicator checked a sensitive crop registry or surveyed the neighboring fields; documentation of spray system cleanout; a list of the tank mix products used; the start and finish times of the application; the nozzle selection; the air temperature at the boom height (at start and finish); and wind speed and direction.

 3.  Applications are limited when maximum wind speeds are from 3 - 10 mph.

 4.  Applications can only occur from sunrise to sunset; avoid when inversions exist at the field level.

5.  Must follow cleanout instructions to prevent cross contamination.

 6.  Emphasis on recordkeeping relative to the location of sensitive crops.

**Indiana Department of Labor Agriculture Worker Safety & Health Webinar**

The Indiana Department of Labor works to collaborate with industry stakeholders on educating employees about work-related safety and health. Please [click here](http://www.icemiller.com/agriculture-worker-safety-and-health/) to review the webinar and presentation and use it as a resource in your workplace.