

**North Dakota Stockmen's Association**  
**Testimony to the Senate Finance and Taxation Committee on HCR 3026**  
**March 8, 2021**

Good morning, Chairwoman Bell and Senate Finance and Taxation Committee members. My name is Julie Ellingson and I represent the North Dakota Stockmen's Association, a 91-year-old beef cattle trade organization comprised of more than 3,000 cattle-ranching families from across the state.

We stand in support of HCR 3026. Our organization has long-standing policy calling for the full and permanent elimination of the federal estate tax. That's because it is particularly problematic for "asset-rich, cash-poor" family businesses like North Dakota cattle ranches. The death tax's threat to agricultural operations and the rural economies that rely on them is clear. Farming and ranching is capital intensive, yet ag land, buildings and machinery are highly illiquid assets. As a result, family operations have few options to generate cash to pay the estate tax, which can be a death warrant for these small- to medium-sized family businesses, forcing families to sell off land, equipment, parts of the operation or even the ranch itself in order to pay off tax liabilities.

While it was not completely eliminated, we made significant progress when the income cap was raised through the Tax Cuts and Jobs Act of 2017. We are urging Congress and the president to maintain this higher cap so that family farms, ranches and other small businesses can carry on their legacies and we don't take a step backward on the progress we have made.

Thank you for the opportunity to testify this morning. I would stand for any questions you might have.