



September 14, 2021

The Honorable Richard Neal  
Chairman  
Ways & Means Committee  
1102 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Kevin Brady  
Ranking Member  
Ways & Means Committee  
1102 Longworth House Office Building  
Washington, D.C. 20515

Dear Chairman Neal and Ranking Member Brady:

On behalf of Conservatives for Property Rights (CPR), a coalition of organizations representing millions of Americans, we strongly oppose the Ways and Means majority's proposed estate tax provisions to budget reconciliation.

CPR emphasizes the importance of private property in all forms — physical, personal, and intellectual. The proposal assaults private property rights. CPR's principles regarding estate taxes read in part: "The Death Tax turns what should be a blessing into a curse for a property owner's survivors. . . . As with the fundamental rights to life, liberty, and property, no tax should be based on the assumption that inheritance is not part of these fundamental rights, but merely a civil convenience granted by a 'benevolent government.' . . . Taxes should encourage savings and investment. . . . Taxes should not be levied on one's final, cumulative assets because they have been taxed many times over." Clearly, the proposed changes to the estate tax violate CPR's principles in this area.

We acknowledge and appreciate that capital gains realization at death is omitted from the latest proposed taxes. Yet, the inclusion of accelerated expiration of current estate and gift tax exemption levels, changed tax treatment of grantor retained annuity trusts (GRATS), and valuation rules changes that ignore discounts from partial ownership or lack of control of an asset in determining its value is tantamount to confiscatory taxation along the same lines as the rejected adulteration of step-up-in-basis for capital gains.

Increasing the death tax burden on family businesses as many struggle to survive is, at best, poorly timed and tone-deaf. Ways and Means Democrats' proposed estate tax provisions would more than double the number of families forced to pay the death tax. It would violently disrupt family businesses, farms, and ranches. Changes to rules for GRATS and valuation discounts will force family businesses to expend tremendous resources on expensive lawyers and accountants to completely rework their estate plans. That money would be better used for recovery, keeping workers employed, and making necessary adjustments to operate their businesses safely. Removing legitimate tools that family businesses use to plan for succession as many are struggling to survive is cynical indeed.

Also, current estate tax policy was enacted late in 2017 and is set to expire in 2025. Accelerating this process by 3 years and changing long-standing rules on valuation creates even greater unpredictability for family businesses planning for the already difficult process of succession, which helps ensure survival of the family business with all its goods and services and jobs that benefit consumers and workers.

Punitive taxation on American entrepreneurs, the backbone of our economy across our nation, in order to pass a partisan, multitrillion-dollar, tax-and-spending measure is fiscally irresponsible and filled with dangerous consequences. This assault on family businesses' assets will fuel inflation and higher interest rates, and dramatically weigh upon our economy.

We reiterate CPR's strong, principled opposition to the proposed estate tax changes. We urge the committee to drop the death tax burdens discussed above.

Respectfully,

James Edwards  
Executive Director  
Conservatives for Property Rights

Kevin L. Kearns  
President  
U.S. Business & Industry Council

David Williams  
President  
Taxpayers Protection Alliance

Ryan Ellis  
President  
Center for a Free Economy

Richard Manning  
President  
Americans for Limited Government  
Americans for Limited Government Foundation

George Landrith  
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James L. Martin  
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President  
Tradition, Family, Property, Inc.

Daniel Schneider  
Executive Director  
American Conservative Union

Dick Patten  
President  
American Business Defense Council

Martha Boneta  
President  
Victory Coalition Strategies  
Vote America First