

119TH CONGRESS  
1ST SESSION

# H. RES. 206

Recognizing the importance of stepped-up basis under section 1014 of the Internal Revenue Code of 1986 in preserving family-owned farms and small businesses.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 10, 2025

Mr. MANN (for himself, Mr. COSTA, Mr. PANETTA, Ms. CRAIG, Mr. SMITH of Nebraska, Mr. FINSTAD, Mr. FEENSTRA, Mr. MEUSER, Mr. LATTA, Mr. FULCHER, Mrs. WAGNER, Ms. TENNEY, Mr. NEWHOUSE, Mr. FLEISCHMANN, Mr. ALFORD, Mr. MOOLENAAR, Mr. GRAVES, Mr. LUCAS, Mr. SELF, Mr. GUEST, Mr. SCHMIDT, Mrs. MILLER of Illinois, Mr. ROSE, Mr. COLE, and Mr. MOORE of Alabama) submitted the following resolution; which was referred to the Committee on Ways and Means

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## RESOLUTION

Recognizing the importance of stepped-up basis under section 1014 of the Internal Revenue Code of 1986 in preserving family-owned farms and small businesses.

Whereas the stepped-up basis under section 1014 of the Internal Revenue Code of 1986 allows recipients of inherited assets such as land, equipment, or buildings to adjust the cost basis of the asset to reflect its fair market value;

Whereas 98 percent of farms are family-owned according to the Department of Agriculture, and 19 percent of all

businesses are family-owned according to the Small Business Administration;

Whereas a study conducted by the Economic Research Service of the Department of Agriculture determined that 66 percent of all midsized farms would see an increased tax liability if the stepped-up basis were eliminated;

Whereas the stepped-up basis is a crucial component of many family farms and small business succession plans; and

Whereas the elimination of the stepped-up basis would threaten the ability of farmers, ranchers, agribusinesses, and small business owners to make generational transfers of their operations: Now, therefore, be it

1       *Resolved*, That the House of Representatives—

2               (1) supports the preservation of the stepped-up  
3       basis;

4               (2) opposes any efforts to impose new taxes on  
5       family farms or small businesses; and

6               (3) recognizes the importance of generational  
7       transfers of farm and family-owned business oper-  
8       ations.

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