

ONE BIG BEAUTIFUL BILL

WHAT DOES IT MEAN FOR RICELAND MEMBERS?

KEY FARM BILL PROVISIONS INCLUDED

INCREASED PLC REFERENCE PRICES

RICE	\$7.60/bu
SOYBEANS	\$10.00/bu
CORN	\$4.10/bu
COTTON	\$0.42/lb

Statutory reference prices for all Title I commodities are set to increase by 0.5% percent beginning with the 2031 crop year, not to exceed 113 percent of the new statutory reference price.

Essentially, the reference price will be as listed above until 2031, at which point the prices will automatically grow by 0.5% annually on a compounded basis.

INCREASED PAYMENT LIMITATIONS

Updated reference prices are indexed to inflation. The payment limitations were increased from **\$125,000** to **\$155,000**.

EXPANDED PROGRAM ACCESS

More than **30 million new base acres** are now eligible for program support.

CROP INSURANCE IMPROVEMENT

Approximately \$6 billion has been directed towards improving crop insurance programs.

Improvements for producers include:

- Strengthened program subsidies
- Broader producer eligibility (producers can partake in multiple programs)

ENHANCED CONSERVATION PROGRAMS

This legislation increases funding for key conservation programs.

Programs boosted by this funding include:

EQIP (Environmental Quality Incentives Program)

CSP (Conservation Stewardship Program)

ACEP (Agricultural Conservation Easement Program)

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KEY TAX POLICY CHANGES

SECTION 199A(g)

This tax provision was originally a temporary part of the 2017 Tax Cuts and Jobs Act, which was set to expire in 2025. Section 199A is a tax deduction opportunity unique to patronage members of agricultural cooperatives.

This deduction opportunity was set to expire and **has now been made permanent** as a result of the One Big Beautiful Bill being signed into law.

TAX POLICY UPDATES

SECTION 199A(g)

Permanently extended for ag co-ops

1031 LIKE-KIND EXCHANGE

Made Permanent

100% BONUS DEPRECIATION

Permanently restores full bonus depreciation for capital investments

**Active for anything purchased after Jan. 1, 2025*

ESTATE TAX EXEMPTION

Permanently extended at \$15M per individual or \$30M per couple, indexed for inflation

PASS-THROUGH ENTITIES

This legislation expands the definition of pass-through entities like partnerships, LLC's, and S-Corps to ensure they are treated equitably when it comes to payment eligibility & limitations

AGI EXEMPTIONS

This legislation allows AGI exemptions for farms with 75% or more income from farming, aiding larger operations.

For more information from Riceland's Government Affairs team, please visit riceland.coop.

