

Gross Receipts Taxes Squeeze Farm & Ranch Families Even If Farm Rates Are Low

Costs to farmers and ranchers will rise as those they purchase goods and services from pass along the cost of a gross receipts tax. Downstream businesses will pay farmers less as they try to cover their own tax increase. Farm families will be squeezed from both sides in addition to their own direct tax. Beyond this dynamic, even highly successful farms have unprofitable years. A gross receipts tax separates the obligation to pay from the ability to do so, putting more economic pressure on farm and ranch families trying to keep their businesses viable.

