

April 12, 2010

Dear Assembly Member:

As representatives of organizations that include all sectors of Wisconsin's agricultural industry, we, the undersigned, would like to express our support of Assembly Bill 756, the Dairy Farm Modernization Tax Credit, on your Tuesday calendar. AB 756 is a high priority to our members, which encompass the producers, processors and input suppliers who make up this state's \$59 billion agricultural industry and employ a tenth of the Wisconsin workforce. AB 756 has received an 11-0 vote of approval by the Assembly Committee on Agriculture and a 15-0 vote by the Joint Finance Committee.

In his State of the State address, Governor Doyle called for the continuation of the dairy farm modernization tax credit which is now AB 756. The original dairy farm modernization tax credit passed the legislature on a 96-0 vote in the Assembly and 33-0 vote in the Senate. In no small part due to this legislation which became 2003 Wisconsin Act 135, the declining fortunes of our dairy industry were reversed. Over \$50 million in dairy investment tax credits (DITC) have been claimed, representing over \$500 million in expenditures to modernize dairy farm facilities and equipment. AB 756 will extend this successful tax credit for two more years. AB 756 will also expand the tax credit for 10% of modernization costs up to \$75,000, from the current \$50,000.

AB 756 will benefit dairy farms of all sizes and will strengthen Wisconsin's \$26.5 billion dollar dairy industry. Cow numbers in Wisconsin have grown again after declining for 20 years, and the overall dairy industry in the state has benefitted, resulting in jobs retained, jobs created, and increased revenue to state and local governments. In 2009 Wisconsin reached record levels of milk production.

We request your positive action on AB 756 which is a priority for our members. Thank you for your consideration of our request.

Sincerely,

Cooperative Network

Dairy Business Association

Wisconsin Cheese Makers Association

Wisconsin Agri-Service Association

Wisconsin Pork Association

Wisconsin Agribusiness Council

Wisconsin Farm Bureau Federation

Wisconsin National Farmers Organization

Wisconsin Dairy Products Association

Wisconsin Farmers Union

Midwest Food Processors Association