

# NAEDA Advocacy Update



A monthly summary of ASSOCIATION PRIORITY ISSUES

The NAEDA Advocacy Update is a new reference guide designed to keep dealers informed about association priority issues. An electronic version will be regularly updated in the Dealer Advocacy Center at [www.naeda.com](http://www.naeda.com).







This "Action Alert" icon will be displayed whenever action steps exist to help your voice be heard on topical issues. Dealers can expect to see alerts in all forms of NAEDA communications.

## Manufacturer Relations

ISSUE	SUMMARY	NAEDA'S POSITION	STATUS
 <b>Market Share</b>	Members of the NAEDA Industry Relations Task Force participated in a meeting hosted by Deere & Company to improve our understanding of market share statistical analysis and use. Deere personnel explained the current system used by the Association of Equipment Manufacturers (AEM) and how manufacturers share in the process.	The market share metric, as it exists, will be studied and carefully examined for ways to improve its accuracy, completeness and acceptance.	Research into the process is ongoing.
 <b>Documentation Fees</b>	NAEDA and its affiliated associations began working with a major manufacturer following its sudden decision this past spring to stop accepting documentation fees on retail finance contracts. Although not resolved completely, the company has agreed to assess and reevaluate its action on a state-by-state basis.	NAEDA and its affiliates support continued efforts to allow dealers to earn revenue from retail financing by adding reasonable documentation fees to contracts.	Working for further improvements.

## Government Relations

ISSUE	SUMMARY	NAEDA'S POSITION	STATUS
 <b>Health Care Plans</b>	NAEDA and affiliated associations are working hard for passage of the Health Insurance Marketplace Modernization and Affordability Act of 2006 (S. 1955). If passed, the legislation would extend to small companies the same price advantages that large corporations receive negotiating health plans and providing benefits.	NAEDA supports passage of S. 1955. Dealers are urged to contact their senators to support the legislation.	S. 1955 could become part of a minimum wage bill that may surface this fall.
 <b>Accelerated Depreciation</b>	House bill H.R. 4236 and Senate bill S. 1864 would reduce the depreciation schedule for agricultural equipment to five years from seven. This legislation would enact the same depreciation rules allowed by the IRS for construction equipment.	NAEDA is a leading proponent for the permanent reduction of the depreciation schedule on farm equipment.	Awaiting action by Senate Finance Committee.
 <b>Estate Tax</b>	In 2001, legislation was passed that gradually raised the exemption and lowered the tax rate on inheritances until the tax is eliminated in 2010. However, when the legislation expires in 2011, the estate tax will be reinstated.	NAEDA supports the permanent repeal of the estate tax, known as the "death tax," and supports new legislation to prevent the tax from being reinstated.	The House and Senate have passed their own versions of legislation, which await conference committee action between the two chambers.
 <b>Trade</b>	NAEDA is a member of several coalitions that favor trade agreements with Oman, Peru, and Vietnam. The association believes free trade is important to North American agriculture and supports specific agreements that promise to directly benefit North American farmers and equipment dealers.	NAEDA supports the renewal of the Trade Promotion Authority (TPA) for the administration and the removal of government policies and rules that restrain trade.	Ongoing.



### Livestock Disease

NAEDA is watching U.S. and Canadian actions associated with the recent outbreak of anthrax in Saskatchewan. The association also is monitoring efforts to lift bluetongue restrictions as well as BSE-related actions that could have an affect on livestock trade.

### 2007 Farm Bill

Congress is holding the 2007 farm bill hearings.

### LIFO Elimination

At least one attempt to eliminate LIFO as an inventory valuation method has been turned back. The loss of LIFO could mean many thousands of dollars of expenses to dealers and other businesses that use this accounting practice.

### 25x'25 Vision

Support for this energy plan that targets increased use of farm and forest products for energy sources is being monitored as it gains support, including NAEDA's own formal support. Information about 25x'25 Vision is available at [www.25x25.org](http://www.25x25.org).