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## **NATIONAL GROCERS ASSOCIATION HAILS PASSAGE OF SENATE ESTATE TAX BILL**

**RESTON, Virginia (May 23, 2001)** – The U.S. Senate’s passage of H.R.1836, the Tax Relief Act of 2001, by a vote of 62 to 38, today marks an important victory for the nation’s family-owned businesses. Support of the bill, which calls for the total repeal of the estate tax by 2011 and a large income tax rate reduction, came from both parties in the Senate, and reflects an outstanding grassroots effort by hundreds of retail grocers, wholesalers and state association executives working with the National Grocers Association (N.G.A.).

The bill is now sent to a joint House of Representatives and Senate committee where differences between the two houses’ versions are ironed out. It will then be sent to the President Bush’s desk where he has promised to quickly sign the bill into law.

“As an association representing family-owned business, passage of the estate tax repeal is N.G.A.’s number one priority, along with assuring a level playing field. This will enable family-owned businesses like ours to grow and compete, rather than paying the death tax,” said Steve Smith, N.G.A. Chairman, and President/CEO of K-VA-T Food Stores, Abingdon, VA. “N.G.A. continues to pursue two government relations priorities: 1) repeal of the estate tax, and 2) level the competitive playing field. Today’s vote brings us very close to achieving our first priority.”

N.G.A. President Tom Zaucha complimented the members of the Senate on their bipartisan effort and President Bush on his campaign for tax relief. “They deserve our support and recognition. Just as impressive are the 60-plus votes from both parties, which joined together to defeat amendments that would have gutted estate tax repeal. The strong support is a result of the unified grassroots efforts of grocers and other family-owned businesses across the country who wanted to repeal the death tax,” said Zaucha.

Tom Wenning, Senior Vice President and General Counsel, added, “For almost a decade, the repeal of the estate tax has been an N.G.A. priority, and thousands of N.G.A. members have come to Washington to petition Congress to repeal the estate tax. Our members have testified before the House Ways and Means and Senate Finance Committees to achieve this important objective to preserve family-owned businesses. N.G.A. looks forward to the House and Senate conference finalizing the tax bill and President Bush signing the legislation into law.”

N.G.A. is the national trade association representing the retail and wholesale grocers that comprise the independent sector of the food distribution industry. An independent retailer is a privately owned or controlled food retail company operating in a variety of formats. Some are publicly traded but with controlling shares held by the family. Most independent operators are serviced by wholesale distributors, while others may be partially or fully self-distributing. Independents are the true “entrepreneurs” of the grocery industry and dedicated to their customers, associates, and communities. N.G.A. members include retail and wholesale grocers and their state associations, as well as manufacturers and service suppliers.