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## **HOUSE VOTES FOR PERMANENT ESTATE TAX REPEAL**

*An important victory for independent grocers.*

**ARLINGTON, Virginia (April 19, 2002) – Yesterday, by a vote of 229-198 the House of Representatives voted to make last year’s tax cuts permanent, including estate tax repeal. The estate tax repeal and other tax cut provisions contained in the Economic Growth and Tax Release Conciliation Act of 2001 are scheduled to “sunset” in 2011 unless the law is made permanent. The House vote followed President Bush’s call for permanent enactment of the tax cut provisions. Grocers and other family-owned businesses won an important victory with the House vote for permanent repeal of the estate tax.**

**Today, National Grocers Association (N.G.A.) President and CEO, Tom Zaucha, commended President Bush’s leadership and the vote by the House Republicans and nine Democrats to make the estate tax repeal permanent. Zaucha said, “Permanent repeal of the estate tax is going to become a defining political issue in 2002 for family-owned businesses. This is especially so in light of Senate Majority Leader Daschle’s promise ‘to never bring up the permanent tax cut the President has advocated’. N.G.A. will continue to urge grocers to secure the commitment and vote of their Senators for permanent estate tax repeal.”**

**Family-owned businesses are substantially penalized when they have to borrow capital to pay Uncle Sam for the death tax. The joint economic committee reported in 1998 that the death tax has reduced the stock of capital in the economy by approximately \$497 billion, or 3.2 percent. This unfair tax penalizes those who work hard and save, and requires unnecessary expenses to develop tax avoidance strategies and ensure against death taxes.**

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**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.**