

FARMER CO-OPS PROVIDING FOR

SOUTH DAKOTA

Farmer co-ops in South Dakota and around the country give individual farmers the opportunity to truly participate in the agricultural and food system, all the way from farm to retail.

Farmer co-ops are taxed differently than other types of companies. Section 199A was passed to put co-ops and small businesses on even footing with big corporations. It has been a success and was critical in seeing farmer co-ops and their members thrive through a pandemic, unrest around the globe, and the highest inflation in a generation. Congress should stand up for agriculture and extend this important tax provision.



2,011

Jobs in State

\$136,216,056

Wages in State

30,345

Farmer-Members in State

\$25,257,357

Total Annual Section 199A Deductions Passed Through to Farmer-Members in State

NATIONAL COUNCIL OF FARMER COOPERATIVES

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STATE SUCCESS STORIES

“With the tax savings from Section 199A(g), we have been able to purchase a seed tender for our farm, which allows us to do more logistical planning agronomically through things such as seed trialing on our farm. Extending Section 199A(g) will provide the opportunity to continue getting money into farmers’ hands so that we can reinvest it into our communities and keep our agronomic sector strong within those communities.”

Nicole Erasmus

Huron, South Dakota

“In the farming industry, you’re always buying something new, and any deduction is always a positive for us. We utilize the savings we’ve received as a result of Section 199A(g) heavily, especially the way the ag markets have been. Overall, Section 199A(g) strengthens both the cooperative and the farmer’s ability to function.”

Quentin Larson

Pollock, South Dakota

“Section 199A(g) tax savings have allowed me to expand my business and purchase equipment as needed. This tax deduction allows our cooperatives to grow stronger and, when they can, pass it through to our member-owners, which allows us to benefit and grow because of it too. Section 199A(g) has incredible value to the cooperative system.”

Eric Zell

Cavour, South Dakota

“Since 2004, Agtegra Cooperative has passed through millions of dollars in federal tax savings to its member-owners, in addition to utilizing tax savings from Section 199A(g) to reinvest and improve facilities across its trade territory in North Dakota and South Dakota. Because of Section 199A(g), Agtegra has been able to reinvest \$40 million over the last ten years back into its facilities across its rural geography.”

Jason Klootwyk

Agtegra Cooperative



Agtegra Cooperative Bath Fertilizer Bin Expansion (FY2024)

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