



## “The Voice of Manitoba Farmers”

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## Federal Finance Minister Must Act Now

**Winnipeg** – Manitoba’s farmers are calling on federal Finance Minister Jim Flaherty to expand a tax deferral program for livestock producers who experienced flooding this past season.

Since September, Keystone Agricultural Producers has been encouraging the federal government through correspondence and meetings to incorporate excess moisture situations into a drought program which allows eligible producers a one-year tax deferral on income on the sale of breeding livestock.

Today KAP president, Ian Wishart, met with MP for Selkirk-Interlake, James Bezan, to discuss progress on the issue.

“KAP has been asking for movement on the expansion of this tax deferral program so that producers can have the exemption for the 2008 taxation year,” said Ian Wishart. “The federal government needs to do this before the end of this year.”

The drought program allows livestock producers the tax deferral in order to replenish stock the following year (Section 80.3 of the Income Tax Act). KAP believes it is necessary to expand this program due to the severe financial hardship facing many producers.

“Producers were hit hard by flooding in the Interlake and other areas, and they deserve the same consideration as producers in drought situations, said Wishart.”

While this is not an overall solution for producers in flood-affected areas, it can be a tool they can use to lessen the burden and encourage them to remain in business.

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Keystone Agricultural Producers is Manitoba’s largest general farm policy organization, representing over 7,000 farm families and 22 commodity groups throughout the province. Our strength is our democratic structure, and our mission is to represent and promote the interests of the province’s farm families.