[Date]

Dear Representative or Senator:

I work for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in your district. My company employs \_\_\_\_ people in the real estate business. IRC Section 1031 like-kind exchanges are critically important to the success of our business.

**I am requesting your support for retention of 1031 tax deferred exchanges in its present form.**

Proposals for immediate expensing, lower rates, and other tax reform initiatives would not provide adequate substitutes for current benefits under Section 1031. Like-kind exchanges remove the tax “lock-in” effect, and permits taxpayers to make good business decisions without being impeded by negative tax consequences at both the federal level and in most cases state level.

Immediate expensing of all investment assets except for land does not remove the lock-in effect on real estate owners.  Land represents approximately 30% of the value of commercial improved properties, and up to 100% of agricultural land investments. 1031 exchanges provide incentive for capital formation for landowners, who would be particularly disadvantaged if they had neither the option of a 1031 exchange nor expense deductions for land acquisition and interest on related debt.

Conservation easements and conveyances of environmentally sensitive lands that benefit our environment, preserve wildlife habitat, and create recreational green spaces for all Americans depend upon 1031 exchanges. Section 1031 provides incentive and economic feasibility for landowners to exchange into more productive, less sensitive land.

1031 provides a simple tax-deferral mechanism for asset sales and replacement purchases that bridge 2 tax years, preventing cash flow impairment for seasonal businesses.

*Recent economic studies concluded that like-kind exchanges contribute significantly to American jobs, investment, tax revenue, and the health of the U.S. economy and found that limiting or repealing §1031 would cause economic contraction and job loss. 1031 exchanges help create new jobs and allow small businesses to expand.*

I welcome the opportunity to discuss this matter further with you or your staff.

Sincerely,

[Your Name]

[Title]

[Company]

[Address]

[Email]