

Thank you for letting me participate and hopefully add some input into the information that you need to make some very difficult decisions. Believe me, I understand the enormous task that you have been charged with, because we in the private sector face the same challenges constantly. Today I will be representing the cattlemen of Georgia. More specifically, I am here as a representative of the Georgia Cattlemen's Association. I am Ernie Ford from Edison, Georgia, a member of the executive board of the Georgia Cattlemen's Association, a fifth generation farmer on the same land that my great great grandfather settled in the early 1830's.

The only reason that I convey this personal information to you is because I feel very confident that my situation is representative of most of the cattlemen of the great state of Georgia. When I say the great state of Georgia, it is not done lightly. I truly mean it. You all know that agriculture and agribusiness is Georgia's #1 industry. Beef cattle play a very important part of that industry, with 1.1 million beef cattle and calves and 15000 beef cattle owners and operators.

In 2009 Ford Farms consisted of approximately 200 mama cows and 400 stockers with a gross income of approximately \$450000. The profit margin on any cattle operation is very tight. If I had paid sales tax on the input items that are now exempt, it would have increased my expenses by \$7766. That would have been almost \$20 per head. That would have been devastating to my operation. That's me, but what about you?

You would have had 7766 more dollars to put in the state coffers. That's great except for one thing, it would have put me out of business, and where would you be next year. Sound far fetched? Don't bet on it. I have heard several farmers make the comment that if inputs were taxed they would quit. Well if they quit, someone else will take their place. Don't bet on that either. Our present tax structure has attracted some agricultural operations to Georgia in the past and changes could also run them off.

What I am trying to tell you today is "don't kill the goose that laid the golden egg" Agriculture is vibrant, strong, and resilient if left alone, but the profit margins are tight and will not tolerate any more pressure from outside sources.

If I understand your task, it is to find ways to increase the income for the state of Georgia because we are in a financial crises. That is a big job. While it may not be your charge, let me offer some of the things that we in the private sector do under these circumstances.

We tighten our belts. When we have a short crop one year, we cut back the next year on fertilizer, labor, fencing, equipment, feed, and personal expenses. It's not easy, but it works.

Thank you for your time and if I can provide any further information about the cattle industry in Georgia, please let me know and I will get that to you.