

AHCnews



Congress Passes Tax Bill with Horse Benefits; President Signs It

In what might be seen as a thaw in Congressional relations, a bi-partisan tax bill, with multiple provisions favorable to the horse industry, has been passed by Congress. Although the bill has now touched down safely, there were a few gusts and swells that threatened its passage right up to the end. President Obama signed it immediately.

The \$622 billion bill extends or reinstates multiple tax provisions that have been raised, lowered, or allowed to expire over the last decade. Some have now been made permanent in the new bill; others extended for one or two years; but all are retroactive to January 1, 2015 so horse owners and industry stakeholders can take advantage of them for this year.

The bill, called the Protecting Americans from Tax Hikes Act of 2015, includes several provisions important to the horse industry and championed by the American Horse Council for some time. These benefits include making all race horses depreciable over three years; the ability to immediately expense or write-off up to \$500,000 in depreciable business property; and bonus depreciation, which allows the deduction of 50% of the cost of new property purchased and placed in service. All of these provisions apply to horses and other assets used in a horse business.

The bill reinstates the 3-year-depreciation schedule for all race horses for all of 2015 and 2016. “This means that if an owner has begun training or racing a horse this year, or will begin training or racing it next year, the three-year depreciation schedule will apply. Owners and trainers don’t have to get involved in deciding when to begin training the horse to qualify for the 3-year period, rather than 7 year; it is automatic for all race horses placed in service in 2015 and 2016. The provision allows horse owners to begin training their race horses when they think best and take advantage of the shorter three-year period,” noted American Horse Council president Jay Hickey. “Most horses race over three years, not seven, so this is really a fairer schedule.”

The bill also raises the so-called Section 179 business expense deduction back to \$500,000 and makes it permanent, effective January 1, 2015. It had reverted to \$25,000 for 2015. This change will allow anyone in the horse business to immediately depreciate up to \$500,000 of the cost of any investment in industry assets, including horses, fences, equipment, tack, trucks, etc., purchased and placed in service in 2015 and 2016. The deduction is still reduced dollar-for-dollar once investments in all one’s business activities hit \$2 million.

“The 179 expense deduction is a real stimulus to the \$102 billion horse industry and will support thousands of jobs,” said Hickey. “And it applies to all depreciable assets used in the horse business, including horses, be they yearlings, race or show horses, mares, stallions, or breeding shares.”

The bill restores bonus depreciation for qualifying new property, including assets used in the horse business, such as yearlings and other equipment, purchased and placed in service during 2015 through 2019. It had expired for 2015, but is now restored to 50 percent for business property placed in service during 2015, 2016 and 2017. It then phases down to 40 percent in 2018, and 30 percent in 2019. The first use of the horse or equipment must begin with the taxpayer. Yearlings are eligible for bonus depreciation and new equipment, but not horses like mares or stallions that

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have raced, shown, or been bred, since they have already been used.

The extender bill would also restore and make permanent favorable tax treatment for land donated for conservation purposes, particularly land donated by farmers and ranchers.

The AHC has been working to have all these provisions increased or reinstated and is pleased they have been acted upon. They have been made retroactive to cover all of 2015. “We had hoped these provisions would have been extended earlier in the year. This would have made planning and decisions to invest in the horse business easier. Congress apparently follows the ‘better late than never schedule’,” said Hickey.

Omnibus Appropriations Bill Approved

On December 18, 2015, an omnibus appropriations bill that will fund the government was passed by Congress and signed by the President. This bill is a package of all 12 annual appropriations bills and will fund all government agencies and programs until the end of the fiscal year, September 30, 2016.

The omnibus bill contains several provisions that impact the horse industry, including reforms to the H-2B temporary guest worker program, the U.S. Department Agriculture (USDA) FY 2016 appropriations bill, defunding of horse slaughter, and reauthorization of the Land and Water Conservation Fund (LWCF).

“Notably, the bill includes several beneficial provisions relating to the H-2B temporary, non-agricultural worker program and would roll back some of the most onerous provisions of a 2015 H-2B rule,” said AHC president Jay Hickey. “The AHC has been working to ensure these provisions were included in the omnibus bill and on reforms to the program for years. These provisions will make the H-2B program less burdensome for employers, including those in the horse industry.”

“The bill contains vital funding for the USDA Animal and Plant Health Inspection Service (APHIS,) which is responsible for protecting and responding to contagious equine disease outbreaks. The bill also includes funding for enforcement of the Horse Protection Act (HPA). Adequate funding for APHIS, equine health, and the HPA are important for the welfare of U.S. horses and the economic health of the horse industry,” said Hickey.

The bill includes language that prohibits USDA from using any funds to provide inspectors at meat processing facilities that slaughter horses, continuing a block that began in 2005, except for a brief period in 2012 and 2013.

No horse slaughter facilities are operating in the U.S. and this bill would effectively prevent any such facility from opening before September 30, 2016.

The language was included in the omnibus bill because the Senate Appropriations Committee adopted an amendment that prohibited funding for inspectors at horse slaughter facilities when they debated and approved their version of the FY 2016 USDA appropriations bill. The Senate amendment was offered in committee by Senator Tom Udall (D-NM) and passed by a voice vote.

The bill will also reauthorize the Land and Water Conservation Fund (LWCF) for three years with funding of \$450 million for the coming FY 2016, a nearly 50 percent increase over the previous level. LWCF provides funds and matching grants to federal, state and local governments for the acquisition of land and water for recreation and the protection of natural resources.

“The LWCF program had expired this year and there was some concern it might not get reauthorized in a timely fashion,” said AHC vice president of government affairs. “The program is responsible for adding millions of acres to the national parks system, national recreation areas, and state and local parks that include many trails for equestrians.”



More details about the bill can be found here: <http://www.horsecouncil.org/press-release/congress-approves-omnibus-bill-to-fund-government/>

Recreational Trails Program Reauthorized

Congress has passed and the President has signed a multi-year national highway bill known as the Fixing America's Surface Transportation Act, or the FAST Act. The bill reauthorizes the Federal Highway Administration's Recreational Trails Program (RTP) for the next five years and provides \$85 million annually for the program.

The last highway bill was set to expire in December and Congress has been working on various versions of a national surface transportation bill for most of this year. During the Congressional process several attempts were made to eliminate the RTP program from the bill. However, these attempts were unsuccessful.

"We are very pleased RTP was included in the FAST Act. Every time a multi-year national highway bill is debated there is always an attempt to eliminate this program and this time was no different," said AHC vice president of government affairs Ben Pendergrass. "Grassroots support from recreational trail users, including many equestrians, played an important role in making sure RTP was included in bill. The AHC appreciates all the individual horsemen and organizations that contacted their Representatives in support of RTP."

"Strong support from Congressional champions of the program, particularly Senators Amy Klobuchar (D-MN), James Risch (R-ID), Richard Burr (R-NC) and Jeanne Shaheen (D-NH), as well as Representatives Hanna (R-NY), Rick Larsen (D-WA), Tim Walz (D-MN) and Jaime Herrera Beutler (R-WA), was also essential to preserving the program," continued Pendergrass.

Since its inception RTP has provided money for thousands of state and local trail projects across the country, including many that benefit equestrians. RTP provides funding directly to the states for recreational trails and trail-related facilities for all recreational trail users. It is funded with a portion of the gas taxes paid into the Highway Trust Fund by recreational off-highway vehicle users.

To learn more about the program and find information about contacting your state RTP administrator for guidance on State policies and project eligibility requirements visit http://www.fhwa.dot.gov/environment/recreational_trails/. You can also look up the projects funded in your state in the RTP project database.

The AHC has advocated for the RTP program since its inception and is an active member in the Coalition for Recreational Trails (CRT). CRT is federation of national and regional trail-related organizations formed exclusively to build awareness about and protect the RTP program.

"It is a victory for all recreational users that RTP has been reauthorized. However, Governors still have the option to opt out of the program. This year only one state has done this (Connecticut) so it is important that recreational riders stay vigilant against any attempts to eliminate the program in their state," said Pendergrass. "Additionally, if you have a trail project in your area you would like to see receive funding the AHC encourages you to visit the RTP website and contact your state RTP administrator."



Blodgett Appointed to AHC Board

Dr. Glenn Blodgett of Guthrie, Texas has been elected to the American Horse Council's Board of Trustees. Dr. Blodgett is the current president of the American Quarter Horse Association.

"The work of the American Horse Council is crucial to the future of the equine industry," said Dr. Blodgett. "AQHA has been actively involved with the American Horse Council since its formation in 1969, and together we've made a considerable impact when it comes to equine matters in Washington. I am honored to serve as an AHC trustee and continue our work to ensure the horse industry is represented properly. I look forward to working with others in the industry to make sure the wellbeing of all horses and horsemen remains a priority."

Dr. Blodgett became an AQHA director in 1991, and in 2011, he elevated to director-at-large. Dr. Blodgett served on the AQHA Stud Book and Registration Committee and as its chairman. He also served on the American Quarter Horse Hall of Fame Selection Committee, as well as the American Quarter Horse Foundation, AQHA Ranching, and Marketing and Membership councils.

Dr. Blodgett received his bachelor's degree in animal science from Oklahoma State University and earned his degree in veterinary medicine from Texas A&M University, and has since been recognized as an outstanding alumnus by both universities.

In 1982, Dr. Blodgett became the resident veterinarian and manager of the horse division at the Four Sixes Ranch. In his tenure at the Four Sixes, which is located near Guthrie, Texas, the ranch has become an all-time leading breeder of both racing and performance American Quarter Horses, and in 1993, won the AQHA Best Remuda Award. In addition to its cattle, the horse operation raises racing, performance and ranch horses. Dr. Blodgett is the recipient of the 2011 AQHA Racing Council Special Recognition Award.

"The AHC is very pleased to have Dr. Blodgett join the AHC board. His horse and livestock experience will be invaluable. He also brings a ranching and western background that will be very helpful," said AHC President Jay Hickey. He and his wife, Karen, have two daughters: Buffie Guynes, who lives with husband Michael and daughters Catherine, Rebecca and Clair in Keller, Texas; and Brandie Mustian, who lives with husband Mike, son Maddox and daughter Myla in Weatherford, Texas.

Arabian Horse Association, the American Saddlebred Horse Association, the United Professional Horsemen's Association, the Appaloosa Horse Club, as well as many state and local horse organizations.

"Very few bills in Congress ever achieve this level of bi-partisan support," said Hickey. "The magnitude of support for this bill is clear, but there is still a lot of work that will need to be done to make sure it is brought to a vote. The AHC will be continuing its efforts to see that this happens when Congress reconvenes in January."

"All members of the horse community should contact their Senators and Representative in the New Year and tell them 'they should co-sponsor the PAST Act and it should be given a vote as soon as possible and they should vote for it, when that happens'," said Hickey.



National HBPA Supports AHC Welfare Code

The National Horsemen's Benevolent & Protective Association is the latest organization to endorse the American Horse Council's (AHC) Welfare Code of Practice.

The AHC Welfare Code of Practice is a broad set of principles designed to establish good welfare procedures for organizations to follow to "Put the Horse First." The code outlines in broad strokes what principles organizations are committed to in breeding, training, competing, transporting, enjoying, and caring for their horses. The code encourages everyone to consider the health, safety, and welfare of their horses in all aspects of their activities, including the social and ethical issues.

"The National HBPA along with its supportive affiliates and members strongly support the Welfare Code of Practice established by the American Horse Council. The embodiment of the Code to 'Put the Horse First' rings true with our membership and supports our mission statement. Being a part of the Welfare Code should be an indication to everyone looking at the equine industry as a whole, that our goal is to uphold the health and welfare of the horse," said Eric J. Hamelback CEO of the National HBPA.

The AHC's code is not intended to supersede an organization's rules or regulations. Any organization's more specific rules still govern activities sanctioned and regulated by the organization. Rather the code is a compliment to any such rules and restates the principles to be followed by breed registries, trade associations, various disciplines and the horse community as a whole in pursuing their equine activities.

To review the AHC Welfare Code of Practice, a list of the 52 organizations supporting the code, and a FAQs page, please visit the AHC Website at www.horsecouncil.org.

PAST Act Gains Support

The Prevent All Soring Tactics Act of 2015 (S. 1121/H.R. 3268) (PAST Act) garnered a significant amount of bi-partisan support in 2015 and now has 240 co-sponsors in the House and 50 co-sponsors in the Senate. The PAST Act is supported by the American Horse Council (AHC) and almost all major national horse show organizations and many state and local horse organizations. The bill was introduced by Senators Kelly Ayotte (R-NH) and Mark Warner (D-VA) in the Senate and Representatives Ted Yoho (R-FL) and Kurt Schrader (D-OR) in the House of Representatives.

The PAST Act would strengthen the Horse Protection Act (HPA) and end the soring of Tennessee Walking Horses, Spotted Saddle Horses, and Racking Horses. Despite the existence of a federal ban on soring for over forty years, this cruel practice continues in the "performance" or "big lick" segments of the Walking Horse industry. "Ending soring is not only important in those segments of the Walking Horse industry," said AHC president Jay Hickey, "it is also important for the well-being and economic health of the horse industry because, while soring happens only in a small segment of the Walking Horse industry, such abuse damages the image of the entire horse industry."

Every major national horse show organizations support the PAST Act, including the American Horse Council, the American Quarter Horse Association, the U.S. Equestrian Federation, the American Association of Equine Practitioners, the American Paint Horse Association, the American Morgan Horse Association, the Pinto Horse Association of America, the Arabian Horse Association, the American Saddlebred Horse Association, the United Professional Horsemen's Association, the Appaloosa Horse Club, as well as many state and local horse organizations.

"Very few bills in Congress ever achieve this level of bi-partisan support," said Hickey. "The magnitude of support for this bill is clear, but there is still a lot of work that will need to be done to make sure it is brought to a vote. The AHC will be continuing its efforts to see that this happens when Congress reconvenes in January."



“All members of the horse community should contact their Senators and Representative in the New Year and tell them ‘they should co-sponsor the PAST Act and it should be given a vote as soon as possible and they should vote for it, when that happens’,” said Hickey.

AHC Participates in Recreation Forum Held on Capitol Hill

On October 14, the American Recreation Coalition hosted a Recreation Issues Forum on Capitol Hill. The Recreation Forum brought together leaders from the recreation community and outdoor industry as well as Congressional staff to highlight a number of recreation issues and legislative priorities of the outdoor community. American Horse Council vice president of government affairs Ben Pendergrass was one of the invited speakers.

Pendergrass focused on the National Forest System Trails Stewardship Act (NFSTS Act) (H.R. 845/S.1110), introduced by Representatives Cynthia Lummis (R-WY) and Tim Walz (D-MN) and Senators Mike Enzi (R-WY) and Michael Bennet (D-CO). The bill would direct the Forest Service to take several actions to help address the current trail maintenance backlog that is adversely impacting all trail users in many National Forests, including equestrians.

“The Recreation Issues Forum was a great opportunity to talk about the importance of the National Forest System Trails Stewardship Act to the horse industry and how the bill will improve National Forest trail maintenance and increase access for all American without adding to the federal deficit,” said Pendergrass. “It was also an important chance for leaders in the outdoor community and congressional staff to discuss the best path forward to achieving recreational priorities this Congress.”

In addition to the NFSTS Act, many issues important to all members of the outdoor recreational community were discussed, including the Recreational Trails Program that provides funding for recreational trails and trail-related facilities; the Land and Water Conservation Fund (LWCF) that provides funds to federal, state and local governments for the acquisition of land and water for recreation and the protection of natural resources; as well as the Federal Lands Recreation Enhancement Act (FLREA) that provides the authority for the federal land management agencies to charge fees.

“Since the Forum both the RTP and LWCF have been re-authorized delivering big wins for all recreational users of public land, including equestrians,” continued Pendergrass. “Hopefully we can build on this momentum in 2016 and pass the NFSTS Act.”

Time to Ride Challenge Identifies Over 41,000 New Horse Enthusiasts

The Time to Ride Challenge, a grassroots competition offering \$100,000 cash and prizes to stables, clubs and businesses that introduce new people to horses, reached a grand total of 41,428 new horse enthusiasts throughout the summer-long program. Participants in 49 states hosted beginner-friendly horse events to stimulate interest in riding and grow their businesses. In its second year, the Challenge marked amazing an 63% increase in reach over the 2014 program.

Participants planned, promoted, and hosted events designed for newcomers who are interested in horses, but have minimal riding or hands-on experience. These beginner-friendly events included riding, grooming, or petting horses; many offered crafts, games, and educational components. “Research suggests that as much as 30% of Americans have positive feelings about horses or riding, but that doesn’t mean they are currently involved with horses” stated Patti Colbert, Time to Ride spokesperson. “Our hosts do a fantastic job of bridging that gap. By specifically reaching out to ‘non-horse’ people, they’re growing their own client base by making horses more accessible to local families who may need some guidance getting started.”



While the majority of competing hosts were riding stables and instructors, other participants such as trail ride businesses, 4-H and regional clubs, rescues, youth camps, and veterinarians also took up the cause.

Small division champion is Namaste Equine Rescue LTD, a volunteer-based organization that works with law enforcement to rescue horses in the Milwaukee, Wisconsin area. Throughout the Challenge, they introduced 3,402 newcomers to horses through 19 beginner-friendly events. Michelle Rivera, who founded the rescue in 2013 and runs a holistic veterinary practice with her husband, said “the best part of the Challenge was being able to help families find the perfect horse experience. We have a great network of local barns and we met families who didn’t know where to take their kids for riding lessons. It’s our job to direct them, and we loved helping these new families find the perfect place to get more involved with horses.” Namaste also gained several new volunteers and valuable community networking.

The medium division was most competitive and 16 Acres Equine Educational Complex emerged the champion. Located in Union Grove, Wisconsin, 16 Acres teaches riding lessons, trains horses, and offers horsemanship programs for all ages. Throughout the Challenge they provided an astonishing 8,955 new enthusiasts with a first-time horse experience via 34 events. By providing hands-on opportunities such as teaching kids how to measure themselves in hands and relating that to the horse’s height, 16 Acres ensured each visitor had a meaningful and fun experience with horses. In addition, all participants were entered in drawings for a free riding lesson, resulting in even more new clients. Owner Jody Halladay reports “We have so many lesson students already that my assistant trainer and I are totally swamped! These new riders are buying 10-lesson packages - they’re excited about horses and making the commitment to riding.”

Winning the large division was the Tri-County Trail Association, a club based in East Sparta, Ohio. “Trico” is a non-profit horse club established in 1967 for the preservation and protection of trails for horseback riding pleasure. The club engaged 964 newcomers with horses through six events held throughout the summer, including their AQHA- and Ohio Quarter Horse Association-sponsored Trail Challenge in June. Most events took place at their campground/trailhead, and used horses owned by the club members. Their best event was held during the Canton, Ohio Hall of Fame festival, a weeklong celebration of the National Football League Hall of Fame. Trico had riders in the parade, passed out flyers in the streets and welcomed parade-goers to their nearby horse event. Cynthia Bauman, club editor and leader on the Challenge efforts, said “Our main purpose is to promote horsemanship, youth involvement in horses, and education. Our group is a great outlet for people who just want to have fun with horses, feel comfortable, and ask questions when they’re getting started with horses, so participating in the Challenge was a perfect fit.” Trico emphasizes involving the whole family in riding, so adult club members can bring kids to their events for free - which helps gain more youth participation, and makes for a fun and inviting environment for newcomers to horses. Cynthia stated that the Challenge has benefited her club in many ways. “Not only has it been really fun getting closer to all our members, we’ve opened ourselves up to new members who didn’t even know we were here. We have great memories from every event we’ve held in the Challenge.”

Champions in the small, medium, and large divisions each took home \$10,000 cash. A total of over \$70,000 cash was awarded to winners through tenth place; with the remainder of incentives including gift certificates, feed, apparel, stable supplies, event tickets and other in-kind products provided by Time to Ride Marketing Alliance members. To see photos from Challenge events, please [click here](#).

Time to Ride congratulates ALL competing hosts on their outstanding newcomer outreach efforts. Every participant has won by connecting new people with horses and broadening their reach!



Unwanted Horse Coalition Updates

Unwanted Horse Coalition Website

The Unwanted Horse Coalition (UHC) is excited to announce the launch of its new website. In addition to general information about the UHC and the unwanted horse issue, the site also features membership and donation information for those looking to contribute to the UHC's mission. Like the old website, the new site offers links to additional resources such as feed and haybanks, gelding and health care voucher programs, and grant-making organizations. One notable change to the site is that the UHC will no longer be providing listings to individual equine rescue and retirement facilities. Instead, the site provides links to A Home for Every Horse, the Thoroughbred Aftercare Alliance, and the Global Federation of Animal Sanctuaries—all organizations which list several hundred accredited equine care facilities on their own websites. Finally, a feature new to the site is a page dedicated exclusively to Operation Gelding. On this page you will find information on Operation Gelding and how to host a clinic; clinic forms (including a live funding application that can be filled out from the website and submitted directly to the UHC director); and a current clinic schedule.

Operation Gelding

The UHC's Operation Gelding program continues to assist people who wish to castrate their stallions. Now in its fifth year, the program has assisted in funding the castrations of 1,171 stallions at 96 clinics in 33 states. So far this year, Operation Gelding has assisted in castrating 93 horses in 7 clinics across the country. These included clinics at veterinary schools, such as Texas A&M College of Veterinary Medicine in College Station, Texas, and at veterinary clinics, such as Lee Veterinary Clinic in Hawley, Minnesota. Clinics were also held at equine rescues around the country, including Community Equine Outreach of Eastern Washington in Mesa, Washington, and Hope in the Valley Equine Rescue and Sanctuary in Wichita, Kansas.

Operation Gelding is able to continue thanks to the support of the American Association of Equine Practitioners Foundation, Zoetis, and the UHC. Proceeds from the sales of Dr. Jennifer Williams' book, *How to Start and Run a Rescue*, and Ellen Harvey's book, *Standardbred Old Friends*, also help fund the Operation Gelding program. Books can be purchased on the UHC website: www.unwantedhorsecoalition.org

Operation Gelding provides funds and materials to assist organizations and associations that wish to host low-cost or free clinics in which horse owners can have their stallions castrated by a certified veterinarian. The impetus for these clinics is that the castration of a stallion will help prevent overbreeding, in turn reducing the number of unwanted horses. Castrations also produce a gentler horse that is more rideable, trainable, and saleable, allowing them to be used in several careers.

The UHC provides the information and forms necessary to conduct a clinic, along with seed money to defray the costs. Funds of \$50 per horse gelded with a \$1,000 maximum will be awarded to participating groups once in a 12-month period.

There are currently four clinics on the schedule and we expect to add more clinics to the roster throughout the end of the year. Our goal is to reach 1,200 horses by the start of 2016. To see a current clinic schedule, visit our website or Facebook page or follow us on Twitter @Unwanted_Horse.