## PRESS RELEASE: Big Ag Wins, Rural Wisconsin Loses on Federal Tax Law

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**Sept. 16, 2025.** Two Wisconsin biogas deals have run into major financial distress. Their troubles mount, even as the recently passed federal tax law expands support for Renewable Natural Gas projects linked to large livestock operations. Deals like these raise questions about investor stability and the future of factory farm-driven biogas development in rural Wisconsin.

In June, an international group of developers defaulted on a \$41.6-million finance deal approved by the town of Gillett for a mega-dairy in Oconto County. In August, a Brown County developer filed for bankruptcy with more than \$76 million in debt. In both cases, project viability and full repayment to creditors remains in question.

These uncertainties are underscored by recent research showing just how dependent the industry is on public subsidies and tax breaks. A <u>University of Wisconsin study</u> found that dairy biogas facilities derive 95% of their revenue from government subsidies and tax credits.

Despite the risks, government handouts will continue, thanks to the new federal tax law. Specifically, the law:

- Extends biogas/RNG tax credits from 2027 through 2029.
- Preserves tax breaks for large-scale manure digesters.
- Weakens emissions calculations, making harmful waste appear "cleaner" on paper.

Incentives for <u>harmful biogas production</u> at major dairy and hog operations benefit the largest, most polluting facilities, drive industry consolidation and concentrate environmental burdens on rural communities.

"Let's be clear, this tax law was written with global investors, not family farms, in mind," said Kim Dupre from Sustain Rural Wisconsin Network (SRWN). "Big Ag and Big Oil made sure that their global investors can keep banking on government hand-outs."

Rural communities across the political spectrum are <u>already fighting to protect</u> their health and property from massive new livestock expansions. These operations house thousands of cows, pigs and turkeys or millions of chickens. They spread millions of gallons of raw feces, urine and cleaning fluids on thousands of acres. Current laws don't address community concerns about biogas, air pollution, road damage, fire risk, carcass disposal and more.

"Rural communities thrive on family farms," added Dupre. "They are the firefighters, and their kids go to our schools. Tax policies that put profits for investors and biogas developers ahead of people are reckless."

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Sustain Rural Wisconsin Network is a statewide coalition of individuals and organizations dedicated to preserving the health and economic vitality of rural communities. <a href="https://www.sustainruralwisconsin.org">www.sustainruralwisconsin.org</a>