

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB1088

Hearing Date: February 06, 2008

Committee On: Revenue

Introducer(s): (Dierks)

Title: Eliminate limits on tax credits under the Nebraska Advantage Microenterprise Tax Credit Act

Roll Call Vote - Final Committee Action:

Placed on General File with Amendments

Vote Results:

5 Yes	Senators Burling, Dierks, Janssen, Preister and White
1 No	Senator Raikes
2 Absent	Senators Cornett and Langemeier
0 Present, not voting	

Proponents:

Senator M. L. "Cap" Dierks
Chuck Hassebrook
Jeff Christensen
Lynn Rex
Craig Head
John K. Hansen

Representing:

Introducer
Center for Rural Affairs
Northeast NE Econ. Development District
League of Nebraska Municipalities
Nebraska Farm Bureau
Nebraska Farmers Union

Opponents:

None

Representing:

Neutral:

Doug Ewald

Representing:

Department of Revenue

Summary of purpose and/or change:

LB 1088 would amend the Nebraska Advantage Microenterprise Tax Credit Act, section 77-5905, to eliminate the \$2 million annual cap on benefits. Currently, applications for benefits are considered first come first served until the \$2 million cap is reached. The bill would be operative retroactively to January 1, 2008 and it carries the emergency clause.

Explanation of amendments, if any:

The Committee amendment would increase, rather than eliminate, the cap. Under the Committee amendment, the cap would increase from \$2 million to \$3 million in 2009 and \$5 million in 2010. The Microenterprise Act sunsets after 2010.

Senator Ray Janssen, Chairperson