

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

COMMITTEE STATEMENT

LB974

Hearing Date: January 31, 2008

Committee On: Revenue

Introducer(s): (Gay)

Title: Provides an income tax credit for health insurance or care expenses of certain employers

Roll Call Vote - Final Committee Action:

Indefinitely Postponed

Vote Results:

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

Proponents:

Senator Tim Gay, Introducer
Bob Hallstrom

Bob Grundman

Representing:

District 14
Nebraska Federation of Independent
Business
National Association of Insurance and
Financial Advisors and NE Chapter of the
Association of Health Underwriters

Opponents:

None

Representing:

Neutral:

None

Representing:

Summary of purpose and/or change:

LB 974 would have amended section 77-2715.07 (individual income tax credits) and section 77-2734.03 (corporate income tax credits) to provide a new credit for employers which begin paying for health insurance for employees for taxable years between 2009 and 2012. The credit was to be limited to resident individuals or corporations employing 25 or fewer employees in Nebraska. The credit amount was 25 percent of the employer paid portions if the taxpayer had not contributed to health insurance premiums of employees within the previous two years unless the previous premiums paid were limited to the taxpayer or his or her dependents.

The bill stated that, if the credit was taken, any deduction taken must be reduced by the amount of the credit. For a pass-through entity, the credit was to be distributed in proportion to the ownership interests.

Explanation of amendments, if any:

Senator Ray Janssen, Chairperson