

**ONE HUNDRED SECOND LEGISLATURE - SECOND SESSION - 2012**  
**COMMITTEE STATEMENT**  
**LB962**

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**Hearing Date:** Monday February 13, 2012  
**Committee On:** Revenue  
**Introducer:** Pahls  
**One Liner:** Change provisions relating to tax expenditure reporting and name the Tax Rate Review Committee

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**  
**Aye:** 7 Senators Adams, Brasch, Cornett, Fischer, Hadley, Pirsch, Schumacher  
**Nay:** 1 Senator Louden  
**Absent:**  
**Present Not Voting:**

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**Proponents:** Sen. Rich Pahls  
**Representing:** Introducer

**Opponents:**  
**Representing:**

**Neutral:**  
**Representing:**

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**Summary of purpose and/or changes:**

The bill as drafted has two main features. First, the bill describes new categories and terminology to be used in the annual tax expenditure report done by the Nebraska Department of Revenue.

Second, beginning on page 6, the bill changes the composition of the Tax Rate Review Committee, a Legislative Committee which is to review state tax rates to determine whether they need to be changed. Currently the Committee is composed of four persons, the Speaker of the Legislature, the Chairpersons of the Appropriations and Revenue Committee, and the Chairperson of the Legislatures Executive Board. The Committee is directed by law to meet with the Tax Commissioner each year.

Under the bill, the Tax Commissioner becomes a fifth member of the Committee, and a voting member. The Committee has the power to vote on the question of whether to petition the Governor to call a special session of the Legislature to make whatever tax rate changes may be necessary. This change puts the Tax Commissioner in the position to vote on the question of calling a special session.

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**Explanation of amendments:**

The committee amendment removes language which would have made the Tax Commissioner a voting member of the Legislatures Tax Rate Review Committee.

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