

ONE HUNDRED FOURTH LEGISLATURE - SECOND SESSION - 2016
COMMITTEE STATEMENT (CORRECTED)
LB774

Hearing Date: Friday February 05, 2016
Committee On: Revenue
Introducer: Scheer
One Liner: Provide a sales and use tax exemption for purchases by nonprofit substance abuse treatment centers

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

Vote Results:
Aye: 8 Senators Brasch, Davis, Gloor, Harr, Scheer, Schumacher, Smith, Sullivan
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

Proponents: Senator Jim Scheer John Synowiecki	Representing: Introducer Nebraska Association of Behavioral Health
Opponents:	Representing:
Neutral:	Representing:

Summary of purpose and/or changes:

The purpose of LB 774 is to amend section 77-2704.12, Revised Statutes Supplement, 2011; to provide a sales and use tax exemption for purchases by nonprofit substance abuse treatment centers. Within the overall tax policy of Nebraska, it has never been the intent of the Legislature to tax nonprofit healthcare and that is set out in section 77-2704.12. This bill treats nonprofit substance abuse treatment centers in the same way as other nonprofit healthcare providers are currently treated.

Explanation of amendments:

The amendment becomes the bill. The provisions of several other bills are amended into LB774, which provides a sales tax exemption for substance abuse treatment centers licensed under the Health Care Facility Licensure Act. These include:

LB510 (2015) - Provides an income tax credit for no more than two years equal to 20% of expenditures by an employer on behalf of an employee who had been on public assistance for the payment of tuition at a Nebraska public institution of postsecondary education or the costs of a high school equivalency program and the costs of transportation to and from work;

Testifiers for LB 510:

Proponent: Senator Tanya Cook, Introducer
Luke Waltman - Center for People in Need

Opponent: None

Neutral: None

LB542 (2015) - Creates a sales tax exemption for county agricultural societies;

Testifiers for LB 542:

Proponent: Senator Burke Harr, Introducer
Steven Kruger - Nebraska Association of Fair Managers
Amy Dickerson - Lancaster County Ag Society
Alan Wood - Nebraska Fair Managers Association, Lancaster County Ag Society
Roma Amundson - Lancaster County Board of Commissioners

Opponent: None

Neutral: None

LB888 (2016) - Clarifies that insurance companies may utilize credits under the Nebraska Job Creation and Mainstreet Revitalization Act and reserves the first \$4 million of credits each year for applications seeking credits of less than \$150,000 until April 1 of each year;

Testifiers for LB 888:

Proponent: Senator Heath Mello, Introducer
Ben Dupuy - Enhanced Capital
Jason Maus - Self, Nebraska Citizen
Ron Sedlacek Nebraska Chamber of Commerce, Greater Omaha Chamber
Garner Girthoffer - Baird Holm

Opponent: None

Neutral: None

LB1015 (2016) - Creates a sales tax exemption for museums that rent or lease property as defined in Section 51-702;

Testifiers for LB 1015:

Proponent: Senator Burke Harr, Introducer
Christi Janssen - Durham Museum
Amy Carolus - Durham Museum

Opponent: None

Neutral: None

LB1047 (2016) - Creates an additional qualified processing activity, the drying and aerating of grain in commercial agricultural facilities, under the sales tax exemption for energy used in manufacturing and processing; and

Testifiers for LB 1047:

Proponent: Senator Burke Harr, Introducer
Rocky Weber - Nebraska Cooperative Council
Richard Sanne - Nebraska Grain and Feed Association

Opponent: None

Neutral: Tony Fulton - Nebraska Department of Revenue

LB1088 (2016) - Creates a sales tax exemption for a center for independent living as defined in 29 U.S.C. 796a.

Testifiers for LB 1088:

Proponent: Senator Al Davis, Introducer

Kathy Kay - League of Human Dignity, Centers for Independent Living in Nebraska

Kent Rogert - Leading Age Nebraska

Opponent: None

Neutral: None

The amendment contains the Emergency Clause.

Mike Gloor, Chairperson