

TAXATION COMMITTEE  
45TH LEGISLATURE

Chairman Herb Huennekens, called the Taxation committee to order April 16, 1977, in room #434, at 1:00 p.m. Reps. Gilligan, Sivertsen, and O'Keefe were absent, all others were present. The meeting was to take further action on Senate Bill 167.

After discussion, Rep. Fagg moved that the "sunset" provision be eliminated. This motion carried with Rep. Lien voting No.

Rep. Lien moved that the committee make a recommendation to take the deduction route rather than the credit route in figuring the tax credits. This motion failed with all members voting No except Rep. Lien.

The question of whether a ceiling should be put on the credits allowed was raised.

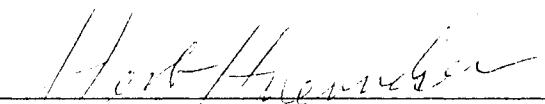
Senator Rasmussen, sponsor of SB 167, agreed with the business area being allowed credit be eliminated, and to make credits 10% and 5%, and 5% and 2 1/2%.

The general opinion of the committee is that the rate should be high enough to provide a good incentive.

Rep. Williams moved that 6% and 3% as shown on Alternative #1 be recommended. This motion was withdrawn after further discussion.

Rep. Lien made a substitute motion to use the 10% and 5% credit allowances as shown in Alternative #1. The percentages on page 2, line 4 would then be changed from 10% to 5%, and from 5% to 2 1/2%. This motion carried with Rep. Fabrega voting No.

Meeting adjourned at 1:30 p.m.

  
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REP. HERB HUENNEKENS, CHAIRMAN

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SENATE BILL NO. 167

be amended in the third reading bill as follows:

1. Amend title, lines 9, 10 and 11.

Following: "INCOME"

Strike: "OR LICENSE"

Following: "TAX"

Strike: "CREDITS AND ACCELERATED AMORTIZATION OF"

Insert: "CREDIT FOR"

Following: "AMENDING"

Strike: "SECTIONS 84-1502 AND"

Insert: "SECTION"

2. Amend page 1, section 1, line 24.

Following: "40%"

Strike: "20%"

Insert: "10%"

Following: "20%"

Strike: "10%"

Insert: "5%"

3. Amend page 2, section 1, line 4.

Following: "20%"

Strike: "10%"

Insert: "5%"

Following: "10%"

Strike: "5%"

Insert: "2 1/2%"

4. Amend page 2, line 21, through line 6 on page 5.

Following: line 20

Strike: Sections 2 and 3 in their entirety

Renumber subsequent sections.

5. Amend page 5, section 4, lines 20-22.

Following: line 19

Strike: lines 20 through 22 in their entirety

6. Amend page 5, line 25 and line 1, page 6.

Following: line 24

Strike: subsection (c) in its entirety

7. Amend page 5, line 2 through line 5, page 11.

Following: line 1

Strike: Section 5 in its entirety

Renumber subsequent sections.