

Statement of Congresswoman Shelley Berkley

Hearing on Certain Expiring Tax Provisions  
Select Revenue Subcommittee  
Ways and Means Committee  
April 26, 2012

Mr. Chairman, thank you for holding this hearing to review the 2011 and 2012 tax extenders. I am pleased the committee has held this hearing to begin providing certainty to middle-class families and small businesses in Nevada and around the country that will face a major tax increase if many of these provisions are not maintained.

First, the extension of the deduction of local sales taxes is vital to states, like Nevada, that do not impose an income tax on residents. In Nevada, 316,000 Nevadans saved an average \$1,443 per year thanks to this deduction. These savings are lifeblood to hardworking Nevada families and protect them from double taxation as they work to get back on their feet.

Second, I urge you to extend the alternative fuel tax credit and maintain propane as an eligible alternative fuel. This credit is essential to increasing clean energy consumption and reducing our dependence on foreign oil, especially in the face of increasingly volatile gas prices and record profits for oil companies.

Third, Nevada's housing market remains the worst in the country, with 1 in 16 homes foreclosed and over 60% of homeowners underwater on their mortgage. Now is not the time to eliminate the exclusion of mortgage debt forgiveness, which protects homeowners who face foreclosures or short sales from being hit by additional taxes.

Several other provisions eligible for review in this hearing should also receive the committee's full attention:

- Extension of the seven-year cost recovery period for motorsports entertainment complexes
- Extension of above-the-line deductions for certain expenses of primary and secondary school teachers
- Extension of the research and development tax credit
- Extension of the 15-year depreciation for leasehold improvements, restaurant improvements, and new construction and retail improvements

Finally, the Majority deemed several vital tax provisions ineligible for discussion at this hearing. It is my hope that as we move forward with tax extenders, we will also consider these important issues. In particular, the extension of Section 48c clean energy manufacturing tax credits is vital to America's future. These credits will create jobs in Nevada and across the country while ensuring we remain at the forefront of developing a sustainable energy future.

Thank you again, Mr. Chairman, and I look forward to working with you as this process continues.