

WASHINGTON - Representative Lee Terry (NE-02) today introduced legislation to make three tax reductions permanent, which are currently set to expire December 31, 2005. These provisions provide tax relief to combat soldiers, offer incentives to employers hiring workers transitioning off welfare, and extend tax credits to businesses donating computer equipment to schools

"These tax reductions provide real assistance to people most in need," said Terry. "If they expire--which these three are scheduled to do at the end of this year--then people will be hit with tax increases. These bills provide direct tax relief to the brave soldiers who are defending our nation in combat, assist parents who are becoming self-sufficient from welfare, and provide state-of-the-art computer technology to students so they can learn."

The tax reductions that Terry proposes to make permanent include:

- Permitting members of the military to include combat pay in the calculation of benefits under the Earned Income Credit;

- Providing a tax credit of \$2,400 to employers who hire parents transitioning off welfare programs to self-sufficiency; and

- Encouraging companies to donate computer technology and equipment to schools through tax credits on a portion of the equipment's value.

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