

## **Political Update**

**By Nina Albano Vidmer**

House Small Business Committee Chairman Don Manzullo introduced legislation to lower the heavy tax burden that hampers our small employers' efforts to compete in the global economy and create American jobs.

The Small Employer Tax Relief Act of 2005, HR 3841, includes 16 provisions that deliver substantial tax relief for small businesses while making the tax code more simple and fair for small employers. Highlights of the bill sponsored by Congressman Manzullo would include: providing self-employed individuals with a federal payroll tax health insurance deduction, extending small business expensing at \$100,000; increasing entertainment deductions from 50 to 80 percent; increasing the annual contributions to "simple" pension plans to match that permitted to 401(k) plans; and provide an annual standard home office deduction of \$2500 (indexed for inflation).

Manzullo says that for years the tax code has punished small employers by taxing them at higher individual rates and by limiting deductions claimed by large corporations. The tax bill relief as outlined in HR 3841 starts to level the playing field, according to Manzullo.

On other fronts, Manzullo said the federal government will provide the necessary assistance to strengthen small businesses so they can put hurricane victims back to work and rebuild the devastated economies of the Gulf Coast region. Manzullo chaired a full committee hearing exploring U.S. Small Business Administration (SBA) programs available to those damaged by Hurricanes Katrina and Rita. Some legislative changes will be needed to expedite assistance in the disaster areas, says Manzullo, who is working on a legislative package that would include increasing the size of low-interest SBA disaster loans to homeowners and small employers, and temporarily suspending payments on SBA loans until small businesses can rebuild their customer base. The legislation will also include provisions to ensure small businesses play a central role in federal contracting for the rebuilding efforts. Manzullo, who visited Baton Rouge, met with many devastated small business owners who lost everything. He says that despite their sorrow, they possess an innate resilience to rebuild and will lead the recovery of their communities and shattered economies along the Gulf Coast.

The governor has signed legislation sponsored by Senate Majority Leader Debbie Halvorson to help protect the environment by cleaning up garbage dumpsites across the State of Illinois. Senator Halvorson says SB 431 will help to clean up open dumpsites in Illinois and put regulations in place to penalize those who operate illegal sites. The legislation also establishes a permit program for mines and quarries that receive and dispose of clean construction or demolition debris as fill material. In addition, the bill will also permit law enforcement officials to issue citations to those who toss litter from their vehicles. There is currently no law to issue citations for littering for weights less than five pounds.

State Rep. Rosemary Mulligan hosted seminars recently for area seniors to learn more about the new Medicare Part D program and changes to the state prescription assistance programs. Rep. Mulligan also awarded two local elementary schools with Illinois Art Council grants at a ceremonial check presentation in October. Mulligan says the arts play an important role in our society and that the \$8600 in grants will enable the schools to increase interaction between artists and students, and to help children foster their creative and artistic talents.

State Rep. Angelo "Skip" Saviano announced that he will support House Bill 4109, which creates the Gulf Coast Disaster Relief Check-off Fund on Illinois income tax

returns. This legislation is an effort to help Gulf Coast residents cope with the aftermath of Hurricane Katrina and provide them with the support they need to rebuild their lives and communities. Under HB 4109, the Illinois Emergency Management Agency (IEMA) must, from appropriations from the fund, make grants to public or private entities in the United States to provide assistance to Gulf Coast hurricane survivors. To assist with the relief efforts, Rep. Saviano is encouraging everyone to make a donation to the American Red Cross (800-HELP-NOW), the Salvation Army (800-SAL-ARMY) or the Chicago Helps Funds at any of Bank One's Chicago area locations.

This column is written by Nina Albano Vidmer, executive director of the Italian American Political Coalition. To submit information, please fax to 708-401-0360 by the first of each month for consideration in the following month's issue.