

Area small-business owners testify on tax-code extension

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A capital investment tax break has helped Ron Lautzenheiser expand his automotive centers in northern Colorado.

That's why he testified that a section of the federal tax code be extended beyond its expiration date of Dec. 31, 2007. Lautzenheiser spoke along with other small-business operators before U.S. Rep. Marilyn Musgrave, R-Colo., chairwoman of the Small Business Subcommittee on Workforce, Empowerment and Government Programs, at the Larimer County Courthouse on Tuesday.

Musgrave earlier this year introduced a bill to extend the provision two more years, until 2010. The code allows small businesses to write off up to \$100,000 in capital investment in the year the new equipment is placed into service, rather than deducting its cost over several years.

The provision "was very instrumental in my decision to start two new automotive centers in 2003 and 2005," Lautzenheiser told the committee.

The current law was signed by President Bush in 2003. Musgrave's bill, H.R. 1678, is being reviewed by the House Ways and Means Committee, said Aaron Johnson, a Musgrave spokesman.

The current law "allows businesses to buy more equipment with money saved or put that toward hiring more employees," Johnson said.

Lautzenheiser operates two Big O Tire and Automotive Service Centers and two Grease Monkey Lube Centers in Larimer and Weld counties. Without small-business loan guarantees and the capital investment break, he would not be able to afford the more than 50 employees he has at the centers, he said.

U.S. Rep. Bob Beauprez, R-Colo., joined Musgrave in the official congressional hearing.