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LB 287, 759

enough that you wind up being able to put the piece of farm machinery back on your depreciation schedule to capitalize it, then you will get the parts tax refunded to you at the end of the year. That same rule would apply to the labor on those parts under the way that LB 287 is now written so that if the repair is substantial enough and the parts are substantial enough that the piece of machinery is on the depreciation schedule, the parts and the labor would be refunded, at least that's the way our legal counsel interprets our existing refund statute and the way this language would relate to it. Thirty-six point seven million dollars of gap filler for a service that is taxed almost at every bordering state that we have with the exception of Missouri and, by the way, I don't think we lose a great deal of labor to Missouri, or Colorado, again at our border but certainly not in the populous areas of Kansas, Iowa, and South Dakota. The bill was advanced by the committee. It also appears in...the idea appears in Senator Brashear's LB 759, which we've advanced. I would ask for the advancement of LB 787 (sic). There is a commitment amendment and I'll explain it as soon as I'm recognized by the Chair. Thank you.

SENATOR CUDABACK: Thank you, Senator Landis. There are committee amendments, as stated by the Clerk. Senator Landis, as Chairman of the committee, you're recognized to open on those amendments.

SENATOR LANDIS: This bill originally had two ideas in it. One of the...the other idea happened to be the taxing of energy that is supplied to manufacturers by requiring them to double meter. We currently now say that if your metering is more than 50 percent for manufacturing, we're going to assume it's all for manufacturing and we stop worrying about whether or not the other part gets its tax collected, and we were going to try to go after that. However, in our analysis, we could not find significant dollars in doing that and we did create significant costs in the private sector and the public sector in trying to track down and audit that amount of tax usage...or energy usage, rather. So we struck that provision from the bill. I'd ask for the adoption of AM1710.