

March 24, 1982

LB 760

money over and above what we would lose as a result of the federal changes. Now the amount of new money that we're adding from the corporate community will proportionately be about the same amounts of new money we're adding from the individual taxpayer if we go from a 15...

SENATOR CLARK: You have one minute left.

SENATOR V. JOHNSON: ...to a 17% tax rate. So to a large extent what we are doing with this particular amendment is we are saying to the corporate community, we are going to make up for those losses resulting to the state by reason of the federal tax changes and in addition we're going to make certain that you still continue to bear about the same proportion of responsibility to the state treasury as our individual taxpayers are bearing to the state treasury. That is where it stands. I think it is a respectable amendment and I think it is a responsible accommodation to the various competing interests on this matter and I would certainly urge the body to support the second committee amendment.

SENATOR CLARK: Senator Cope.

SENATOR COPE: Mr. President, members, a question of Senator Carsten.

SENATOR CLARK: Senator Carsten, will you yield, please.

SENATOR COPE: Senator Carsten, I got a letter from a rather large manufacturer in our area and he has some figures here and I wondered if you might know something about it. They don't sound quite right. In Colorado they say it's a 5% tax, Kansas - 6.75; Iowa - 10 and Missouri - 5. Now we mentioned South Dakota has no corporate tax and then he says the increase in Nebraska to 7½ is correct. Would you explain why we're talking about 35% and I'm sort of out in left field?

SENATOR CARSTEN: Senator Cope, in answer to your question, as you know we are piggybacked on the federal income tax...

SENATOR COPE: Yes.

SENATOR CARSTEN: ...is the way our system works. Many of these other states do not piggyback. They have their own income tax structure and to answer your question I guess we would have to look at the letter and examine it and pull out the information that we do have in the files on other states to answer your question correctly. But I would assume that it is because the difference is because they are not on the same structure that we are.

SENATOR COPE: I see. Okay, I'll give it to you. Thank you.