

Schmit, is another one of those technical bills, but I would have you note that this one is only 12 pages long and it does four things are. It was brought to us by the Revenue Committee and it makes changes in the income tax law, LB 773, that we passed in 1987. These are basically omissions that were left out of the draft of 773. None of them are of any type of substantial nature and if you would open your bill books to the committee statement, I think the summary purposes and changes is basically the best way to walk through what these four things. First, in Section 1, it repeals the language dealing with the liability of corporate officers which was unnecessary after the passage of LB 523 in 1987. Section 2, we changed the issue of individual retirement accounts which was spelled out specifically as IRAs and we changed that to include qualified retirement plans so that the application would be to all types of retirement plans. In Section 3 we take and include fiduciaries with corporations as institutions to be taxed under federal taxable income rather than adjusted gross income as is the case with individual taxpayers. This is how they have always been treated and the draft of 773, fiduciaries, were just left out. Section 4, it deals with the issue of joint and several liability and it clarifies that all individuals who file jointly are...have joint and several liability for the taxes due and it has an effective date of January 1, 1989. Senator Hannibal asked me on the floor prior to the bill coming up with regard to Section 4, the issue of joint and several liability, was that a substantial change, if any? No, it is not, as currently the practice and it has been the practice. It is just to clarify language that was in 773 but the department felt was not clearly spelled out and in order to just ensure that the practice remained the same it is included in LB 459. With that, Mr. President, I would yield to any questions if there are any.

SPEAKER BARRETT: Thank you. Discussion on 459. Apparently not, Senator Hall. Any closing statement?

SENATOR HALL: Mr. President, I would just urge advancement of the bill.

SPEAKER BARRETT: Thank you. The question is the advancement of LB 459 to E & R. Those in favor please vote aye, opposed nay. Please record.

CLERK: 29 ayes, 0 nays, Mr. President, on the advancement of 459.