

March 7, 1989

LB 775

take this bill or should we wait until the other sponsors get here?

SENATOR LINDSAY: I think you might check with Senator Hall.

PRESIDENT: Oh, Senator Hall is going to...okay, Senator Hall, please.

SENATOR HALL: Mr. President, LB 775 is a bill introduced by Senators Beck, Lindsay, Labedz and Hall. (Read title.) The bill was introduced on January 19, referred to the Revenue Committee. The bill was advanced to General File. I do have Revenue Committee amendments pending.

PRESIDENT: Are you going to take the committee amendments too, Senator Hall?

SENATOR HALL: Yes.

PRESIDENT: Okay, Senator Hall.

SENATOR HALL: Thank you, Mr. President, and members, the bill, LB 775 becomes the committee amendments as were adopted by the Revenue Committee following the hearing on the bill. The bill deals with the issue of the tax that is levied on bingo. Senator Beck's bill, that is her priority bill, was brought to the committee and asked for a reduction in...of 1 percent in the state tax and 1 percent in the local or the city tax. Currently, the tax on bingo is 10 percent. Nebraska has the highest tax on bingo of any state in the nation. It's highest by far and away. I think the next closest competitor is right at 6 percent, so Nebraska has a wide gap there between the next highest taxing state with regard to bingo. Many states that allow for the conducting of bingo by charitable organizations impose no tax at all. Senator Beck's bill was amended by the Revenue Committee to leave the state tax, which is 6 percent, intact and to take the 2 percent that is shown in the committee amendments out of the city's portion. Now the other part of the committee amendment is that it would only apply to the City of Omaha. As you remember, there have been a couple of times where myself and former Senator Vard Johnson would and have attempted to reduce the tax that the cities collected. We met with much opposition specifically from the League of Municipalities and this committee amendment reflects my frustration with losing that battle time and time again. It is specifically targeted at