

Legislative Journal.) 23 ayes, 12 nays, Mr. President.

SENATOR HANNIBAL: The motion fails. The call is raised. Further amendments on the bill, on the committee amendments, Mr. Clerk?

CLERK: Mr. President, Senator Morrissey would move to amend the committee amendments. (See AM2993 on page 1364 of the Legislative Journal.)

SENATOR HANNIBAL: Senator Morrissey, please.

SENATOR MORRISSEY: Thank you, Mr. President, and members. My amendment addresses a problem that those of us living on the border, on the edge of the state, deal with on a consistent day-to-day basis with our implement dealers. My amendment would appropriate \$80,000 for '90-91 to be earmarked for the Department of Revenue to conduct or to contract with the other border states to conduct audits of implement dealers that may have significant sales to Nebraska residents. They will also report to the Legislature the number of audits conducted and the total dollar amount of farm machinery and implement retail sales to Nebraska residents by each state under contract. The report shall also include the amount of unpaid sales and use tax and the amount of such tax recovered by the department as the result of such audits. We are having a problem on the border with our border implement dealers of losing sales because of lack of sales tax in Kansas. In my particular circumstance, I have three states, Missouri, Iowa, and Kansas. The first sales pitch made by these dealers across the border is, I can save you 1,000, 4,000, 5,000 dollars right off the top because we don't have sales tax. When you are talking about a farmer in these areas, that is quite an incentive to drive across the state line to save that kind of money. The farmers are not thinking about what may happen in the future, and what may happen in the future is because of the close profit margins these dealers are operating under and the inordinate expense of their inventory, that sooner or later they may be going under, and that farmer then will have to face the consequences of their action. But I think if we could get some action on our own, that we could prevent this from happening, and that is what my amendment aims towards. The Department of Revenue conducts quite a few audits across the state on out-of-state sales but I have not become convinced that they are realizing the magnitude and the amount of dollars involved in these sales. We had 12 dealers in here