

SENATOR SCHMIT:      There is a penalty for failure to file, is there not?

SENATOR HALL:      That's correct.      That penalty is 50 percent of the taxes due and owed and that was the reason for the 50 percent as it is my understanding in the green copy of the bill.

SENATOR SCHMIT:      What if there is a lack of knowledge as to whether or not, based upon the changes we are proposing, you actually own personal property and thereby you fail to file?

SENATOR HALL:      That individual would be then liable for a penalty in the green copy of the bill, 50 percent of the tax due and owed; under the committee amendments as are currently before us, 20 percent of the taxes due and owed, and under my amendment they wouldn't have a problem.

SENATOR SCHMIT:      Under LB 1 though, is the taxpayer going to have difficulty knowing whether or not he or she should file?

SENATOR HALL:      It's my understanding, Senator Schmit, and I could very well be wrong the way things are moving here, but we have LB 1 that is a bill that changes the definition of real property and personal property.      It has the emergency clause on it.      You have a bill in LB 2 that has a penalty provision in it that has the emergency clause on it and there is a personal property payment that is due and owed on December 1 of 1989, roughly less than three weeks, about two weeks away.      I don't know, Loran, I can't answer that question.      I would guess that if those all become operative immediately with the emergency clause, those individuals could find themselves, even though they didn't know now it was personal property, and I don't know that there is a good argument for that because, really, what we're doing in LB 1 is putting...making things real property as opposed to personal property, it may not be an argument at all.      But the penalty provision is something very new and if an individual did not know that there was a penalty and just forgot to pay their taxes timely, would then have to pay whatever that penalty would be because they might have just thought that it was...things hadn't changed and they only had to pay the 14 percent interest as opposed to the 20 percent penalty.

SENATOR SCHMIT:      Well, I voted for the Conway amendment because