

to how it may effect the state tax that is owed by the taxpayer, it gives permission to the Department of Revenue to waive that same interest as it would have waived the...as was applicable to the federal tax (inaudible) on that portion that affected the Nebraska tax because of an erroneous provision in the federal tax report that the individual had made. I'd move that the bill be advanced. Again, it is a bill which, seems to me, provides greater equity to the taxpayer in terms of what...how they are treated, as well as eliminates the possibility of state paying interest when there is no fault, on the state's part, in the prompt and timely payment of refunds.

SPEAKER BAACK: Further discussion? Senator Schmit.

SENATOR SCHMIT: I have a question of Senator Warner, if he would yield, please. Senator Warner, is it normal procedure for the Department of Revenue to give written advice as is outlined on page 5 of the bill here, or is most of the advice dispensed by the Department of Revenue done so verbally in response to telephone inquiries, or do you have any information relative to that?

SPEAKER BAACK: Senator Warner.

SENATOR WARNER: My assumption, Senator, is that most frequently it is probably by phone, because we know they have those phone lines for citizens to call in for information. However, this is...obviously, it would be almost impossible, I would imagine, to administer any type of refund such as this, unless it was in writing which, obviously, would be wise for any taxpayer, for that matter, to do in any event.

SENATOR SCHMIT: I guess then what you are saying is that there is no provision then, if the agreement is made or reached by telephone, for such interest to be paid to the taxpayer then.

SENATOR WARNER: Under this bill, Senator, it would be a requirement that, under that particular section, that those agreements would have to have been in writing, or those recommendations from the Department of Revenue would have to be in writing.

SENATOR SCHMIT: One more question. Have you given any consideration as to whether or not the 14 percent interest, which is charged by the state and which we legalized, I guess,