

sales tax that is collected as a portion of the lease payments on a monthly or the basis on which the lease is made. Under the rules of the Department of Revenue, why the company must elect to use one or the other method. The problem...and this has been done this way for several years and leasing companies have had both kinds of leases available. Their problem rests in the fact of with short-term and long-term leasing and those common carriers are contract carriers that are not subject to the sales tax, what a leasing company could do now is form two separate companies, one for the contract and common carriers who generally would probably be...and are not subject to sales tax, would generally be long-term leases and then they would have to form a separate company which would be...would take care of both long and short-term leases for their other equipment. What the bill does is allows for the contract carrier to be carried separately so that it doesn't get involved with the election of the short-term, long-term combination or the election of paying on the collection of the vehicle or on the lease. It allows it to stay the same as things are now as far as the sales tax amount that is collected. There is no change, essentially, it just avoids the necessity of a leasing company to become two separate corporations. Even that might not be a problem but some of these are franchised leases, national type firms and there simply isn't any way that they can divide that franchise into two separate corporations. It sounds somewhat complex but it actually is a fairly simple issue to address the problem that some Nebraska based companies have faced under the current rules that are used. I should point out that this has been the case since, as far as I know, since 1967. It has not been until recently, last December, in fact, that...and many of these companies have been audited and was not showing any problem with the basis on which it was being done but it was not until last December, I believe, in which it became necessary to clarify the legislation as proposed in LB 239. So I would ask that the bill be advanced.

SPEAKER BAACK: Is there discussion on LB 239? First of all, I have Senator Moore. Senator Moore does not appear to be in the Chamber. Is there anyone else who wishes to discuss the bill? Seeing none, Senator Warner, do you want to close? Senator Warner waives closing. We will now proceed to the vote on the advancement of LB 239. All those in favor vote aye, opposed vote no. Have you all voted? Record, Mr. Clerk.

CLERK: 26 ayes, 0 nays, Mr. President, on the motion to advance