

of the Revenue Department. All we do, through the committee amendments, is I think make 727 a little clearer in terms of who it applies to, where the tax would be paid when it is due and owed on any type of sale, and also address the issue of when it takes place. And that would revert back to the original provisions in statute that took effect on October 1, 1985. With that, I would urge adoption of the committee amendments.

SPEAKER BAACK: Thank you, Senator Hall. Is there any discussion on the committee amendments? Seeing none, Senator Hall, do you wish to close? He waives closing. We will now proceed to vote on the committee amendments to LB 727. All in favor vote aye, opposed vote no. We are voting on the committee amendments to LB 727. Have you all voted? Voting on the committee amendments for LB 727. Have you all voted? Have you all voted? Record, Mr. Clerk.

CLERK: 26 ayes, 0 nays, Mr. President, on adoption of committee amendments.

SPEAKER BAACK: The committee amendments are adopted. We'll now go to the bill as amended. Senator Hillman.

SENATOR HILLMAN: As Senator Hall mentioned, this bill was brought to me by a constituent. LB 727 just clarifies the original legislative intent concerning occasional sales. The statute currently provides that an occasional sale of business or farm equipment is exempt from sales and use tax, unless a third party is utilized. When passed, this Legislature intended that the third party language refer only to auctioneers and consignment sales. Last summer the Attorney General issued an opinion that the simple term "third party" means any third party. The use of any third party would take the transaction out of the occasional sales exemption. Under the new interpretation by the department, any third party could include advertisers, bankers, attorneys, brokers, accountants, or even neighbors. This is clearly not what the Legislature intended. It would be extremely difficult, if not impossible, to enforce, and it would be extremely burdensome on Nebraska's small businesses and farmers. It is hard to imagine any transaction in today's marketplace occurring without the assistance of some third party, be it again an advertiser, an accountant, yet such transaction would still be isolated, occasional, one-time sale for the buyer and the seller. Nebraska taxpayers should not be subject to surprise taxes merely because they buy a business