

guess somewhat for the record. It probably would be germane to this bill and so on. Again, the Revenue Department always looking for sources of revenue. If you take your car to get it repaired, or if you get a haircut or so on, you do not pay sales tax on the labor, you only pay sales tax if you buy the hair spray, or you get your car repaired, you pay the sales tax on the repair, but not the labor. All right, the Revenue Department has taken a position that if you go in to buy a bicycle from Sears and Roebuck, and they use this as an example, and the bicycle is put together in the store, therefore you pay sales tax on that bicycle. In other words, it has been put together and assembled in the store. So they're applying it to the very same thing to a pivot irrigation. Well when you start talking 32 to 40, 42 thousand dollars for an irrigation pivot, using the same example as a bicycle, you're hardly talking apples and oranges. And I have checked into this, it's an interpretation by the Revenue Department, but a farmer is therefore using the same example as a bicycle. They have to pay sales tax on the labor, in addition to the material and so on that goes into the pivot irrigation system. It does not seem right or fair for a farmer when a lot of that is labor, that it's put together and installing that pivot out in the field, to have to pay sales tax on labor. But again the Revenue Department is looking for sources of funding, and this is probably another, all the way from 750 to 1200 dollars on the labor part of that new pivot that is then the responsibility of the farmer. But I'll not try to amend Senator Hillman's bill. Might make her rather nervous on the first bill. But I did want that in the record that it is a problem also.

SPEAKER BAACK: Thank you, Senator Nelson. Further discussion on the bill. Senator Hillman, would you like to close?

SENATOR HILLMAN: I would, again, just simply say that this bill clarifies what the law has always been with respect to occasional sales. Again I would urge the body to vote for 727.

SPEAKER BAACK: You've heard Senator Hillman's closing on the advancement of LB 727. All those in favor of advancing the bill vote aye, opposed vote no. Have you all voted or unvoted, or whatever you want to do? That's what I said to the Pages, this bill ought to fly with a number like 727. Record, Mr. Clerk.

CLERK: 32 ayes, 1 nay, Mr. President, on the advancement of LB 727.