

May 22, 1991

LB 829

SENATOR HEFNER: We don't. So this 19.2 million, none of that money would go into LB 1059.

SENATOR HALL: Not necessarily.

SENATOR HEFNER: Not necessarily.

SENATOR HALL: Some of it may.

SENATOR HEFNER: Okay, how about there would be city sales tax on top of that.

SENATOR HALL: If there was...the city had a sales tax, yes.

SENATOR HEFNER: Okay. Does that mean then like with Omaha you charge 1 1/2 percent city sales tax, does that mean that that will be a windfall for Omaha and Mayor Morgan would have enough money to buy the Omaha Royals, and we could save the Royals for Omaha and Nebraska?

SENATOR HALL: It would mean that once we wipe out an exemption for sales tax that the local subdivisions, the cities who have the ability to levy a sales tax and have voted on that and passed it would now be able to levy a sales tax on these five areas.

SENATOR HEFNER: Okay, and that would be automatic, wouldn't it?

SENATOR HALL: That's correct.

SENATOR HEFNER: Okay, thank you. Also in section 2, number C, corporate income tax, 10.1. Okay, that probably wouldn't all come in the first year then, would it, with the LB 775 exemption?

SENATOR HALL: Well, this, Senator Hefner, this would be over and above the 775. So in other words, that is factored in. The use of the credits is factored in to arrive at this number of 10.1, but there would be some delay because of just the filing of extensions in terms of how corporate Nebraska pays their taxes, so it would be a little slow coming in but that's why I only make it roughly about one-tenth of the entire funding proposal.

SENATOR HEFNER: Okay, thank you, Senator Hall, and I commend