

April 3, 1992

LB 719A, 829, 1063

SENATOR LANDIS: I would say that it's part of the problem solving of the larger issue of LB 1063.

SENATOR CROSBY: I understand.

SENATOR LANDIS: You've got to make things cash flow and ultimately you've got to solve the problems in here in that kind of a situation.

SENATOR CROSBY: I understand. Thank you. But my big problem with it is the \$30 one, the 10,000 to 125,000, for this reason. Last year, in LB 829 when we levied the \$150 corporation surcharge that hit a lot of small businesses, include art galleries, and not all art galleries are nonprofit. I have several friends who are in art galleries who are there to make money and they set their corporations up, as I understand it, because they...that's the ones that I got a lot of calls from, when they had to pay \$163 instead of \$13 this past year. For them, that's a lot of money and the art galleries aren't the only ones. There are small corporations that I suppose \$30 to us doesn't sound like a lot of money but for some people it is a lot of money. So, from that point of view, that's why I wanted to know and I'm pleased to see that you're saying not...that there isn't any tax on nonprofits because a year ago when LB 829 went into effect we were having a little problem with the Revenue Department and nonprofits. They were bound and determined that they were going to pay that \$150. Well, that hits the Symphony, the Playhouse Guild, all those...all those wonderful groups that do so much for us but don't make any money. For that reason, I still...I have grave doubts about this amendment, Senator Landis, because of those small businesses. And I know it will raise like \$43. For them, it would be \$43, right, most of them, up to 125,000?

SENATOR LANDIS: If you...let me answer here.

SENATOR CROSBY: You add 30.

SENATOR LANDIS: The amendment will raise \$30.

SENATOR CROSBY: So...

SENATOR LANDIS: Existing law will have a \$13 fee. The answer is that, as a result of this, they will pay \$30.