

November 7, 1992 LB 1

giving the centrally assessed corporations a \$5.5 million tax break that this Legislature said, when we passed 829, they should not have. And so it's difficult for me to understand why the Governor would support a bill which would give those corporations an additional tax break and nobody else gets it. So that's why some of us are very unhappy with the bill and we think that some other sectors should have some little goodies if...if centrally assessed corporations are going to get \$5.5 million, then perhaps agriculture should get some little morsel out of this bill. Thank you.

PRESIDENT MOUL: Thank you, Senator Lamb. Senator Warner.

SENATOR WARNER: Madam President and members of the Legislature, I'd like to clear up a couple of points that have been discussed. One, which deals with the interest rate effective time, essentially Senator Hall is correct but there are...make it...there actually could be two interest rates involved on a particular refund. As a practical matter, the date under the bill, as it's currently drafted, I believe the effective date is January 1 of '93, and the interest then would commence if it's on the sales tax collection fee, for example, would be from the time that it was paid and in those cases it could go back some period of time which 14 percent credit, not payment but credit, would be allowed, but after January 1 it would drop to the rate provided for in the legislation. In the case if it deals with income tax, as a practical matter, that refund does not become delinquent until 90 days after it's filed. And, obviously, under the time frame, this being November, 90 days, and done and filed, so that 90-day period would come up in...after January 1st and would be at the lower interest rate as explained by Senator Hall. The other thing, and while this is not part of the committee amendment, the concept contained in LB 1 is a uniform tax on depreciable property, uniform rate, and while we may want to talk about other past legislation and differences there, the obvious reason that you need the uniform rate is that court decisions have already said you have to do that, federal court; can't have four for some things and two for others. So that option wouldn't be available even though one might want to argue for it, just simply cannot be done. But we should keep in mind that the whole purpose of LB 1 is to help fill the gap that exists and the rate on the surcharge, of course, is uniform toward that rate and, as a practical matter, is necessary because of the federal court actions.