

time before they do. So the fiscal note that Senator Lindsay mentioned is accurate, but it is very likely to grow. It will not, I don't think, ever grow to the figure that is in the fiscal note of a million and a half dollars because that note is deceptive in that it includes domestic companies, Nebraska domestic companies, which should not be in that mix. The issue is one of when you look at the amendment, as it is found in the Journal on page 1370, it says, an insurance company shall be subject to taxation at the lesser of the rate described in Section 1 of this section, and that's existing statute, or the rate of tax imposed by the state or country in which the insurance company is domiciled if the insurance company can establish to the satisfaction of the tax commissioner that it is domiciled in a state or country other than Nebraska that imposes on Nebraska domiciled insurance companies a retaliatory tax against the tax described in Section 1 of this section. So it's very specific to the fact that there has to be that retaliatory tax in place in the home country or the home state, if you will, of that insurance company, and it has...not only does the tax have to be there, but it has to be being imposed upon the Nebraska insurance company before this takes place. The fact that they may have it in place but they don't impose it is not enough to trigger that. That's why the fiscal note is the figure that it is because it is very minor right now. It is only taking place in a couple of states, Ohio being one of them. It is very likely at some point down the road that it will...the ripple effect will take place and retaliation will happen across the country, but that's the way this industry happens to work in terms of its taxation. It's one of the reasons we have a low premium tax in this state so that our domestic companies do not get taxed for retaliation purposes at a higher rate in other states. I rise in support of the motion to return the bill and rise in support of Senator Lindsay's amendment. It is one that the industry can support in its present form. Thank you.

SENATOR CROSBY: Thank you, Senator Hall. Senator Warner.

SENATOR WARNER: Madam President, members of the Legislature, my comments will be brief, only to indicate that the amendment, as it is being offered, reflects the committee amendment, which was adopted by the committee on 596, and the Bill was advanced unanimously by the committee. And I would urge your support because with these...any types of these retaliatory type taxes, when they do exist, it is adverse in the long run, even if there is some revenue reduction to Nebraska-based companies when they