

frankly, the ultimate issue is that the citizens, the policyholders, are better served by the local regulatory component that the states offer. With that, Madam President, again, I rise in support of the motion to return to Select, and I'd yield the balance of any time I have to Senator Landis.

SENATOR CROSBY: Senator Landis, about two and a half.

SENATOR LANDIS: Thank you, Madam President, and members of the Legislature. Let me see if I can explain reciprocal taxes in the insurance field for the body, so you will feel a little comfortable with this amendment. It is a good amendment, should be adopted. We ought to get to it as soon as we can. Nebraska has two kinds of taxes on our insurance companies, and this is rare, not common. We have the norm for the country which is a premium tax. Every state has one. We also have a corporate income tax, which is what this amendment is about. That's rare, most states don't. We have a relationship between the two that says, look, if you pay more in the premium tax than you would pay in corporate income tax, don't pay corporate income tax. But if you would make more in corporate income tax than premium tax, take corporate income tax, and we have a handful of companies that fall into that category. That is our tax policy. That's fine. Now, let's move to a state like Pennsylvania which has a premium tax. They also have a reciprocity statute. Their reciprocity statute says if one of our companies is doing business in another state, i.e., Nebraska, and pays a tax there that we do not...

SENATOR CROSBY: One minute.

SENATOR LANDIS: ...collect, we will collect that same tax from a Nebraska company doing business in Pennsylvania. Pennsylvania doesn't have a corporate income tax. Nebraska does. Pennsylvania has a company doing business in Nebraska that happens to trip this provision and has to pay Nebraska corporate income tax. Now what happens to all Nebraska companies doing business in Pennsylvania. The reciprocity statute requires them to pay corporate income taxes in Pennsylvania, even when there isn't a corporate income tax law in Pennsylvania. Why? Because of the reciprocity statute. Here's why this amendment is here. We have Nebraska companies doing business across the country who do very well in investment income and pay corporate income tax in Nebraska and they are happy to do so. But a couple of states who have companies doing business here...