

reform effort that we've adopted and not funded by the Legislature. I think that's a reasonable approach. In looking at the companies that have been listed out, and I appreciate Senator Brashear's information on this, we are really talking about a handful of companies that we are primarily trying to help, three companies in '91, five companies in '92. Maybe there will be more as time goes on, as he indicated as we have more out-of-state sales, but that aren't...these are companies in listing...that have been listed out for us here that I think are not going to be leaving the State of Nebraska, that there are a couple here, American Gramophone, and I don't know much about the Phillips Manufacturing. It is possible that those are a couple that are seriously thinking about leaving. I don't know anything about Phillips Manufacturing but would hate to see Chip Davis leave, so I share concerns with everybody, but my hope would be that by phasing it in, people would see the direction we're taking and delay of a year would not have a further impact on anybody making a decision adversely to the state. So as far as that goes, you know, I know that where the body is going in terms of trying to to adopt this, I continue to feel that this is a mistake in terms of policy. Not wrong policy in terms of Nebraska responding to the fact that Iowa and other states around us have already changed to have no throwback, but...as Senator Brashear talked about leveling the, what was the term, leveling the playing field, leveling the taxes. Well, that's exactly right, they are leveled down to nothing. That's level. They aren't there anymore in terms of this because they are eliminated. The leveling of the playing field was attempting to do what this original taxation policy had in place before states started to opt out of it, that was to say when companies had sales outside of their state, and the other states, there wasn't enough there to qualify for their income to then be taxed, those would throwback to the original state where the company came from, so all corporate income became taxable, either by where it was generated, in terms of the state, and the sales, or if there wasn't enough to do that, then it would accumulate back to the home base of the company. That was our attempt in this country to make sure that we had a broader tax base, and despite sales outside of the state, that the states had the ability to collect revenue on tax...on sales generated by these companies. So that was a level playing field. That was a reasonable policy. It was a broad-based tax policy that make sense, but, again, back to these economic development wars, these tax wars, that we've been going through, it becomes advantageous to a state to say, hey, you know, let's