

February 8, 1996 LB 1041

not the case with an individual. However, the bill does still continue to require that condition on a corporation, which is not due to the same due process requirements that an individual has under the U.S. Constitution. Then there is a change...not a change rather, but a clarification of a penalty for delinquent state tax rates in a couple of areas with the delinquent...this deals in sales and income taxes which would...existing law, and for those who are adjust...the penalty and interest rate is adjusted every two years. As you know, it's automatic, coincides with interest rates, generally. But this amendment will add that same provision to miscellaneous and other state taxes that are due. Local taxes are governed by a different section, and they remained at the current 14 percent. Most of us probably recall that the state is a variable rate. Then there is a...Section 6 and 7 deals with sales tax on motor boats, primarily. In essence, it creates motor boats the same as motor vehicles, particularly as to situs. This becomes an issue on rental property, whether it's over a year or less than a year, but it clarifies that process. It doesn't increase or decrease anything, but it does clarify when, where and how the sales tax is to be imposed on motor boats. Then it also is a clarification, in Section 8, where there is a combination of overpayments or underpayments over a number of years, all of them on income tax. And the effect of it is that if you...if you had different...different situations in different years, overpayment in some year, underpayment in others, the effect of the legislation is that you can't combine the overpayments with the underpayments in order to avoid interest payments where interest payments otherwise would have been collected. It doesn't happen very often, but it's a clarification that seems appropriate. And that's essentially what the bill does

PRESIDENT ROBAK: Thank you, Senator Warner. Is there any discussion on the advancement of LB 1041? Seeing none, Senator Warner, to close. Closing is waived. The question before you is the advancement of LB 1041. All those in favor vote aye; all those opposed vote nay. Please record.

ASSISTANT CLERK: 27 ayes, 0 nays on the motion to advance 1041, Majam President.

PRESIDENT ROBAK: LB 1041 advances. Senator Matzke announces the following guests are visiting the Legislature. There are eight Sidney junior and senior high school students here from