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Nebraska at the prospect of having to pay some tax.

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: Thank you, Senator Wickersham. We are discussing the amendment to the committee amendments to LB 383. Those wishing to speak are Senators Brown, Brashear, Senator Coordsen, Senator Janssen, and Senator Raikes. Senator Brown, you're recognized to speak.

SENATOR BROWN: Mr. President, members of the Legislature, before we can get into talking about the specifics of this bill, I think we need to go back and talk about the underlying rationale for this policy in the first place, and that was to retain capital in the state of Nebraska. It was not for us to become involved in compensation, but to become involved in something that is obviously a policy issue for the state, and that's how to keep capital in the state of Nebraska. We are talking here about how we get people to stay in the state because, in most of the cases of the people who have elected to use this exclusion, we are talking about people who have been with companies for a fairly lengthy period of time, who have planned for what will happen upon retirement, who know about this policy and have planned on this policy. And, yes, the difference about whether there is capital gains on the stocks that they have acquired over a lengthy period of time, will make a difference, I believe, in their decision. And so we will have a question about whether this capital is going to be here to be taxed anyway. I don't believe with this bill that we're talking about fat cats. We are talking about kitties with middle-aged spread. We are talking about people who, some in middle management, who worked with the company for a long time and accumulated a certain amount of stock. And their decision, when they plan for retirement, will include how the capital gains on this stock will be handled. I don't believe that the \$36 million that Senator Wickersham talked about of taxes that the state of Nebraska did not collect on this capital will ever, ever, ever stay in the state of Nebraska if we change this policy. There is no way that this can be revenue neutral, because the money is not going to be here. If someone has the opportunity to hold on to the stock, move to another state where they will not be paying taxes on it, that will happen. And so