

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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SENATOR WICKERSHAM: Mr. President, I get more confused every time I hear somebody get up and speak against this proposal. Senator Brown said that Senator Withem had supported the original measure because it might have kept his father-in-law from moving. And then she recited a list of states in support of that assertion. The problem with what Senator Brown did was she listed a bunch of states that have no income tax at all. And if you don't want to pay state income tax you're going to move to one of those states, and the provisions in existing law that have to do with capital gains exclusion or LB 383 won't stop you at all. They won't even slow you up on the way out the door. You just don't want to pay state income tax and you have the wherewithal to move and you move. If we eliminated our income tax entirely then maybe we could affect folks like Senator Withem's father-in-law, but the existing law didn't stop him and it won't stop others if they want to move and can move to someplace where there is no income tax at all. Now if that's where we're headed, then we need to be cognizant of Senator Beutler's remarks. And, Senator Bruning, the provisions of the law, if LB 383 is passed with the amendment that I'm now proposing, would benefit Ms. Reed, and they'd probably even benefit you. So I hope that's a good enough reason for voting for the amendment and for the bill. It would still benefit Ms. Reed, and it would still benefit you. And it is not about investment. What is this talk about investment? Senator Bruning said that he got stock as compensation or perhaps future compensation. It's really about compensation and companies giving employees stock as compensation and then saying, and, oh, by the way, if you make an election, there's a little extra kick, there's a little extra kick, you won't have to pay state of Nebraska income tax on the capital gains when you sell this stock. It's compensation. It's what people get paid. Now should they get paid with a paycheck? Should somebody write a check and say, this is how much you're worth to my company? Or should the state of Nebraska, through kind of a...this kind of an exemption, be a part of somebody else's compensation package? I don't think we have any business using tax policy, quite frankly, to be part of somebody's compensation package. And we certainly don't have any business doing it the way it's in current law. Now the bill, if it passes, would tighten things up a little bit. Spouses couldn't elect, children couldn't elect, and you'd have one election to make. And the stock that