

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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LB 973

California, that's fine,...

SENATOR LANDIS: Okay.

SENATOR JANSSEN: ...as long as it's paid either in California or in Nebraska.

SENATOR LANDIS: Second question: Are the effects of the bill limited to Internet sales? Well, can you think of any other type of sales, for example catalog sales, that would be affected by LB 973?

SENATOR JANSSEN: That's a little different. Catalog sales are required to pay taxes if they have a significant contact in this state. See, if they have a store in this state, yes, then they would have to pay it here. Otherwise, that's pretty vague.

SENATOR LANDIS: Okay. Last one: Any other types of Internet purchases taxed, how does the customer pay the...I guess this question is, are other types of Internet purchases taxed, and is this somehow a different standard for this situation than we're doing for other Internet sales?

SENATOR JANSSEN: At the present time, it would be on a voluntary basis. That's all I can tell you. The Revenue has forms and they do periodically check those interstate...interstate sales and so on and see if the...if the tax has been paid on those items. That's what I've been told by the Revenue Department.

SENATOR LANDIS: Thank you, Ray. Appreciate it very much.

SENATOR SCHIMEK: Thank you, Senator Landis. Senator Janssen, you are the next speaker.

SENATOR JANSSEN: Thank you, Senator Schimek. I might bring up the fact that Senator Chambers had alluded to some of the wholesalers and distributors who had a problem...or he had a problem with them supporting the bill. The reason that they were there in support of the bill is these people have to go through our three-tiered system, which is the wholesaler, the retailer, the consumer. The tax is collected at the wholesale