

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

January 31, 2003 LB 168

they're at, rather than having to...the way it is now, they would have to move over into Iowa and create a branch over there.

SENATOR RAIKES: Okay. Thank you, Senator Janssen, and thank you, Mr. Speaker.

SPEAKER BROMM: Thank you, Senator Raikes and Senator Janssen. Senator Landis, on the advancement of LB 168.

SENATOR LANDIS: (Microphone malfunction) ...a long-time critic of tax exemptions, and yet, you'll see I voted for this. And here is my reasoning. Entities that are tax exempt in Nebraska, when they go to Iowa are not tax exempt, and this bill would make them tax exempt in Iowa but at a price. The price is that an Iowa tax exempt entity would come to Nebraska where they are not now tax exempt and be tax exempt. What business will we lose? H'm, Iowa company coming over here, not company, but Iowa governmental interest coming over here and paying 70 percent...7 percent more than they do in their own state. They are not coming over here. We are not going to lose sales. At the heart of it, I said, look, if we are going to do this transfer between us and Iowa, or whomever, on this reciprocal basis, why should we do it? And in the end, I said to myself, because these are tax exempt entities that we by our law say, you know what, these are entities that do so much public good, we are not going to charge them sales tax. And if we can do that in Nebraska and in Iowa, it will give our entities a better marketplace, more dealers, and perhaps better prices. And the cost of it is to let an Iowa tax exempt entity come over here and do tax exempt business, which they're probably not now doing anyway. I can live with that. It's a price I can pay. I think it will make a better marketplace for our tax exempt entities, which we want to succeed, because they are doing a quasi governmental function, and give them a bigger marketplace to go out and look for the best possible deal. And what we are paying that for with is giving Iowa tax exempt entities the same status in Nebraska. I can live with that.

SPEAKER BROMM: Thank you, Senator Landis. Senator Redfield.