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LB 759

Janssen.

SENATOR JANSSEN: Thank you, Senator Cudaback and members of the Legislature. I voted to move this proposal out onto the floor from Revenue. I had some doubts. Being a retailer, I could understand what was going to happen with separating snack foods and soft drinks out of the nontaxable items. So I was thinking about the EBT card recipients, and I...Senator Brashear, could I ask you a question?

SENATOR CUDABACK: Would you respond, Senator Brashear.

SENATOR BRASHEAR: Yes, Mr. President.

SENATOR JANSSEN: Senator Brashear, being in the retail business, you know, we have people who are on electronic benefit transfer cards, which is the old...what we used to call the old food stamp system. Those people who would use the card, which is, you know, it's a good situation so that no one in the state can go hungry, but I like to use the scenario of you've got two little boys walk into a retail outlet, and if we put sales tax on pop and candy, one little boy has his mother's EBT card and he grabs a candy bar and a soft drink, comes up to the counter and we run that through the register on the EBT card and there is no sales tax on that. The other little boy comes up with a dollar bill and he has a soda and a candy bar, and the clerk rings that up and she says it will be a dollar and five cents, young man. Well, he's got a dollar and he doesn't have the 5 cents. Now there is a disparity. How are we supposed to handle that?

SENATOR BRASHEAR: Well, a number of possibilities come to mind, Senator Janssen, but I'm not certain you want me to enumerate them all. What I would suggest to you first of all is that I don't know that the child is entitled to carry the card. It belongs to the mother. I don't know whether you can do that, so I don't want to go there. But taking the hypothetical as you constructed it, you are going to honor the one purchase because it's clearly exempt from sales tax under the code and you are going to have to decide whether you write off the nickel or deny the child the pop and candy, in the second instance, because