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Transcriber's Office  
FLOOR DEBATE

May 21, 2003

LB 608

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: ...suddenly added to my wallet would stimulate the economy because I would invest it and therefore...and thereby create jobs. But they conveniently forget that if Berkshire kept the money, it would invest that same amount, creating jobs as well. Remember, Berkshire doesn't have a dividend at this particular point in time. So in order to create a dividend, Berkshire is going to take money out of investment and give it away in dividends. The Senate's plan invites corporations, and he emphasizes, indeed, virtually commands them, to contort their behavior in a major way. Were the plan to be enacted, shareholders would logically respond by asking the corporations they own to pay no more dividends in 19...in 2003, when they would be partially taxed, but instead to skip it and to pay the skipped amounts in 2004, when they would be tax-free. Similarly, in 2006,...

SENATOR CUDABACK: Time.

SENATOR BEUTLER: ...the last year of the tax-free plan, companies would pay double their normal dividend, and then avoid the dividends in 2007. So it's setting up,...

SENATOR CUDABACK: Time, Senator Beutler.

SENATOR BEUTLER: ...in addition to the benefit, a bit of a scam. And I will relate this next time to this amendment.

SENATOR CUDABACK: You may continue, Senator Beutler. Your light is next.

SENATOR BEUTLER: To finish the highlights of Mr. Buffett's article, he says that what we should be doing is giving reductions to those who both need and will spend the money gained. Putting \$1,000 in the pockets of 310 families with urgent needs is going to provide far more stimulus to the economy than putting the same \$310 million in my pockets. Well, I guess the point as it relates to this matter is simply this. In this last decade, for a long period of time now, things have