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FLOOR DEBATE

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SENATOR BAKER: Yes, they do.

SENATOR STUTHMAN: Okay. If this bill was passed, you would still have to have your number, but you would not be paying the tax when it was delivered and you would not have to file for a refund? Would that be what this process is all about?

SENATOR BAKER: No, no, no. All this does is just change the process that once the Department of Motor Vehicles or Department of Revenue collects it, the Motor Fuels Division collects it, then it streamlines the process of them getting it to the Ethanol Board. It doesn't change any of the other process, I don't think, unless there's something I'm not seeing here in the bill. Same process, you're still going to have to file that application for return of that tax paid on off-road use of fuel.

SENATOR STUTHMAN: As the way it is right now, you know, that's what a person has to do on a yearly deal. You file the amount of gallons times the cents for a refund. But I was under the understanding of when Senator Connealy was discussing his amendment that we would not have to. We would not get the refund anymore, it just wouldn't be charged initially when the gas was delivered. Now maybe I'm misunderstanding that and that's what I was trying to clarify.

SENATOR BAKER: I'm sorry. I was in conversation with legal counsel here. The only people, as I understand it, that don't have to pay the tax up-front is the ethanol producers. The off-road use of that, say I sell you ten gallons of gasoline at my store. You have to pay the tax on that and then you file for a refund with the Department of Revenue.

SENATOR STUTHMAN: So that process would stay the same then. You would file for the refund, then get the refund, but you would initially pay for it to start with. But you would not be getting quite as much back as you paid in because of the portion that the ethanol would take on that proportion, right?

SENATOR BAKER: There's two classifications. Ethanol people buy it tax-free but are charged this...actually, it's 2.25 cents a