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FLOOR DEBATE

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elderly person, bachelor, had no family expenses, I guess, a lot of land, a lot of money, and counties were looking, thinking they're going to get this estate tax. Ended up they got nothing out of it. I don't know whether he was a...whose client he was, but they had that tax...that estate really figured out well, and it all left. The state didn't get any of it. So it's happening out there. In our case, it's a person that I was familiar with. But I also stand in support of the bill, to address the bill. I've had a couple of questions from people about the underlying bill, LB 1034. I do support it. It's a bill that corrects a technical problem we had with it on what we...the Revenue Committee calls this the "cliff bill," I guess. You get up to this, and fall off the cliff. But this does correct that situation. But I wanted to address Senator Brashear's bill. It was similar to mine, LB 369 I had last year, "IPPed." This is going to come back. We need to come back and work on this, because obviously, the federal estate tax is being slowly but surely eliminated. And I think probably by 2010, surely by then, they will have taken care of it. It's not going to go back into effect. So we've got to wean ourselves off of this estate tax income on the state level. And with that, Senator Cudaback, I'd return the rest of my time to the Chair. Thank you.

SENATOR CUDABACK: Thank you, Senator Baker. Senator Raikes, on LB 1034, advancement.

SENATOR RAIKES: Thank you, Mr. President, members. I think Senator Brashear highlighted the mechanics of the whole estate tax issue. The federal government has taken the lead, and allowed, basically, states to take a part of the tax for the use at the state level, without changing the total amount of tax due, and therefore, without creating some sort of an interstate competition regarding estate taxes. And that is the issue that Senator Brashear addresses, that is in fact a problem. I think he's got his attention focused on something that's a real problem. What's happening, as Senator Baker has pointed out, the state...or the federal government is backing away from estate taxes, in my opinion, very unwisely so. The plan in the federal government, I think, is to go to, in effect, elimination of federal estate taxes by 2010. At least it is right now, I