

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

April 6, 2004 LB 1017

SENATOR LANDIS: Uh-huh, when they receive progress payments, that's right.

SENATOR LOUDEN: Okay. If they don't receive property payment then they don't have to pay the sales taxes?

SENATOR LANDIS: If...

SENATOR LOUDEN: Now, okay, a carpenter...

SENATOR LANDIS: That's right. That's right, it's the ultimate consumer who pays the sales tax, if you will.

SENATOR LOUDEN: Right. True.

SENATOR LANDIS: It is the contractor who holds the money and passes it back to the state.

SENATOR LOUDEN: The contractor is collecting the sales tax for...

SENATOR LANDIS: Right.

SENATOR LOUDEN: ...for the state of Nebraska.

SENATOR LANDIS: For the ultimate consumer, that's right.

SENATOR LOUDEN: But at the end of the month then is that contractor's...when he tallies up what he's...work he's done or the amount of money, whatever he's done that month, he's got a certain amount of sales tax to pay. Now if he hasn't been paid for that work then is that sales tax due? Does he have to pay that sales tax?

SENATOR LANDIS: That's exactly why we put in the language we did. If he hasn't been paid, he doesn't owe it. If he's gotten progress payments, even the project is not even done but it is going to be taxed, but he's got money in, he owes it.

SENATOR LOUDEN: Okay. But if he doesn't have any...if he