

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

April 6, 2004

LB 1017

construction. If you aren't using building materials, it's not construction. It also indicates that brokerage estate commissions and fees are not real estate, they're fees. So when it comes time to figure out the value of a project or the value of an entity, you don't count in the fees. That's not part of a real estate. That's just part of the fees that are involved. Lastly, it also says for one of those options, when the option is that you've been elected to treat yourself as a consumer of building materials, which is one of the three options that a contractor has, under subdivision (2) or (3) of Section 77-2701, that you charge this 60 percent for services, but you do for the purposes of leveling out the playing field between contractors, charge less an allowance for sales tax paid on building materials. These are people who would have already paid for building materials as part of the project, when the other type of option which is not given this allowance now will not have paid sales tax. "The allowance for sales tax paid on building materials shall equal the sales tax rate in effect at the time payment is received at the location of the project times forty percent of the sales price for building materials and construction services." It is argued to us by the construction industry that this would constitute a level playing field and there has not been objection to that idea from within the construction industry, and we've taken them at their word and, in fact, adopted that idea. Those are these elements. Pass this. I will explain the bright line concept, but then I will pull it on General File. I'll give you advance notice of the idea, but then I think we'll pull it for the sake of perhaps action today on this issue.

SENATOR JANSSEN: You've heard the opening on AM3586. Those wishing to speak is Senator Stuthman.

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. I would like to get into a little bit of discussion with Senator Landis as far as the thing that he explained to me as far as the dirt, the real estate portion, that being pulled out. Is that the way I understand it?

SENATOR LANDIS: That's right. That's in line 2 when it says strike the second occurrence of "real estate" and insert "a