

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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FLOOR DEBATE

February 4, 2005 LB 383

Mr. President. (Also, a report from the Department of Revenue, Legislative Journal pages 431-438.)

SENATOR CUDABACK: Thank you, Mr. Clerk. (Doctor of the day introduced.) Mr. Clerk, General File, LB 383.

CLERK: Mr. President, LB 383, a bill introduced by Senator Landis. (Read title.) Bill was introduced on January 12, at that time referred to the Revenue Committee, advanced to General File. I have no amendments to the bill at this time, Mr. President.

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Landis, to open on LB 383.

SENATOR LANDIS: Thank you, Mr. President, members of the Legislature. The Nebraska state tax code makes many references to the federal tax code and, normally, we've just said the federal tax code, recognizing that the federal tax code changes year by year. Well, what we have in this bill is an idea that sprang up under Chairman Wickersham five years ago or so, maybe a little bit longer. It's an annual bill that we use so that when the Nebraska statutes say "as referred to in the federal tax code," that we are responding to the current tax code or the most recent tax code, rather than the tax code when that provision of Nebraska law was passed. So if you pass a bill in 1992 that makes reference to the federal tax code, and it says blah, blah, blah, blah, Nebraska state tax code as defined in federal section blank, blank, blank of the federal tax code in 1992, and it's now 1998 and there's been a couple of definitional changes in the intervening year in that section, what do you use? Do you use the 1992 definition, or the 1998 definition with the federal definitional changes? This says you use the current definition...definitions, essentially. It's an annual bill. It's needed to update statutory references to the Internal Revenue Code that are outside the income tax statutes. The bill would amend 49-801.01 to state that references to the Internal Revenue Code mean the code as it exists on the effective date of this bill, instead of April 16, 2004. We're updating our reference to whatever federal tax changes have occurred in the last year. I would urge the advancement of this