

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
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FLOOR DEBATE

February 8, 2005 LB 28

report.

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We'll now move to...Natural Resources Committee report was adopted. We'll now move to General File. Mr. Clerk.

CLERK: Mr. President, LB 28, a bill originally introduced by Senator Connealy. (Read title.) Bill was introduced on January 6 of this year, referred to the Revenue Committee, advanced to General File. At this time, I have no amendments to the bill. There was some limited discussion yesterday on the bill, Mr. President.

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We'll recognize Senator Connealy to summarize.

SENATOR CONNEALY: Thank you, Mr. President, and the Clerk did summarize it. It is a tax credit for planned giving. It would be a 10...up to a \$10,000 annual. We had discussion on the bill and we're in the middle of it.

PRESIDENT SHEEHY: LB 28 is open for discussion. Senator Redfield, you're recognized.

SENATOR REDFIELD: Thank you, Mr. President, members of the body. I did distribute to you yesterday a number of handouts talking about the different kinds of mechanisms that are legal under federal tax code, and one of the ones that I gave you is marked letter "D," and this talks about charitable remainder unitrusts and I want to tell you about Gene and Carol. They purchased stock in a small company several years ago. The company has done well and Gene and Carol are looking for a way to save taxes. Gene said, we were fortunate to invest in a medical service company. Over the years, we thought this stock would grow, and indeed it has increased in value. We paid about \$50,000 for the stock, and it is now worth \$400,000. If we were to sell this stock, we would pay a large tax. We have always talked about taking part of that stock value and buying a home on the lake. I have found a very nice summer cottage on a nearby lake. The price is going to be approximately \$120,000. So how can we take \$120,000 in cash from the value of the stock