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and not pay tax? We checked with our CPA, and he suggested that we talk to a gift planner. We were happy to discover that we could transfer \$280,000 worth of the stock into a special trust. This trust is called a unitrust. When we transfer the stock into that trust, it can then be sold tax-free. Best of all, we were able to sell the other \$120,000 of the stock for cash. The deduction on the charitable trust saved enough in tax that we did not have to pay tax on the \$120,000. The full \$120,000 was available and we could purchase our lake home. This was a wonderful agreement. We now have income from our unitrust and are enjoying our lake home. So in fact we find that Gene and Carol have discovered a way to take their capital gains, save taxes, enjoy a home on the lake, and enjoy an annuity for life. So if you look at the handout that I gave you, you see that previously they would have...or under this scenario they actually increased their income \$11,200 over their prior \$5,600 income. They have increased their unitrust value to \$570,000 from an original \$400,000 investment. They have saved income taxes of \$80,000 over this package. So again, my point is that the deal is sweet. It's a great way for people to enjoy their retirement years, have a fixed income that they can count on that's safe and secure, and enjoy those benefits during their lifetime at the same time that they benefit a charity in the future with the proceeds that remain. But I don't believe that it is necessary for the state of Nebraska to contribute a \$4,000 tax credit in order to encourage this behavior. The deal, again, is very sweet and if you look at handout "E," marked "E," there is a story about Mary and how they actually have used the same unitrust mechanism to increase their income and their enjoyment of life during their remaining years. So I will, with that, return the remainder of my time to the Chair and hope that the discussion focuses on the cost to Nebraska and whether that is necessary at this time with our limited revenues. Thank you, Mr. Lieutenant Governor.

PRESIDENT SHEEHY: Thank you, Senator Redfield. Senator Connealy.

SENATOR CONNEALY: Thank you, Mr. President and members. I do appreciate Senator Redfield's discussion of the way people can use different instruments to give to charities and to provide