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LB 312

SENATOR BROWN: ...that we have put together something that allows us to address all the different aspects of economic development--recruiting, maintaining jobs, maintaining companies that are already here, expanding companies that are already here; looking at both urban and rural environments, big companies, small companies, medium-size companies; what we can do that's going to address everyone. And I think that LB 312 does that and I very much appreciate that the Revenue Committee has spent so much time at arriving at something that we can live with. Thank you.

SENATOR CUDABACK: Thank you, Senator Brown. Senator Janssen, followed by Senator Erdman.

SENATOR JANSSEN: Thank you, Senator Cudaback and members of the Legislature. You know, it's too bad but we are in a competitive market and I realize that. Does it cost too much? Probably it does. You can have arguments on both sides. I know that my district, my legislative district, has been the recipient of some of these tax credits and it has helped. It's helped quite a bit and I think most of us, especially in the eastern third of the state, can attest to that. There's several sections in this bill. The portion that I had introduced is Section 44, subsection (e). It gives the cities and villages and counties that have adopted a local option sales tax advanced notice of claims for state tax refunds under the act, and time to time that payment for the refunds within their local governments in their budget cycle. The bill provides that if a claim for a refund of sales tax more than \$25,000 is filed by June 15 of a given year, the refund shall be made on or after November 15 of that same year. If the claim is made after June 15, the refund is not due until the following year. Under the current law, a refund is taken out of a city's monthly sales tax payment collected by the Department of Revenue. The city has little, if any, advanced notice of that refund. Because of the lack of the notice, cities are not able to budget for that loss of revenue. If the refund comes late in the budget year, it can be especially difficult to adjust to the under-expected loss of revenue. This section is designed to let the local governments know when a claim is made and give the local government time to include the payment of the refund in the budget. This portion,