

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

May 23, 2005

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annuity, you already get these tax benefits on that end of it. This would be...give you a state tax credit now to encourage you to do that in the future.

SENATOR LOUDEN: In other words, it would be just on your state income tax is the only place that this affects any...has any effect at all whatsoever?

SENATOR CONNEALY: Yes. Yes, that's correct.

SENATOR LOUDEN: It doesn't affect the valuation of your estates on your counties, your 1 or 2 percent that's assessed on estate taxes on a county level?

SENATOR CONNEALY: No, not unless you don't have any...if you would give away enough of your assets so you wouldn't have any. But it wouldn't do it now. It wouldn't. This credit is on your state income tax.

SENATOR LOUDEN: Okay. Now, if you put this, your...some of your estate in this endowment then does that shield that from the county estate taxes?

SENATOR CONNEALY: Yes, I think so.

SENATOR LOUDEN: In other words, whatever you put into this endowment fund of your estate then wouldn't be liable to county estate taxes in...at the time of doing this, of probating an estate.

SENATOR CONNEALY: Yes. If you're...if you're turning your assets over, if you're...if you don't have the assets, then they aren't in your estate.

SENATOR LOUDEN: Okay. That's what my concern is, is...thank you, Senator Connealy. My concern is, is, you know, what effect this will have on some of our counties with our estate tax. Some of these rural counties, especially out in the western end of the state in the Sandhills area, those smaller rural counties rely on the estate taxes for some of their rainy day funds, and I have a concern about what effect that will have on those