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February 6, 2006 LB 887

Generally, sellers are relieved from liability for errors resulting from the use of the address-based data system. There is a modest committee amendment that came because we identified a change that needed to be made after the last of the sales tax...streamlined sales tax meetings before the legislative session. I'll explain that when I'm called upon to explain the committee amendments. I would urge the adoption of LB 887.

SENATOR CUDABACK: Thank you, Senator Landis. (Visitors introduced.) Senator Landis, Chairman of the Revenue Committee, you're recognized to open on AM1914 by the Revenue Committee.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature. One of the things that makes this work is an amnesty provision for the big box discount centers, so that they're not charged with having a physical presence in the state and then owing back corporate income taxes. It's one of the reasons that they are willing to volunteer this tax revenue. The amnesty period that was originally written into the bill was from one year from the state's participation in the agreement, and in Nebraska's case, that's coming up in awhile here. However, since there isn't the use of the database yet -- we don't have the computer database -- the better approach is to have the amnesty period run for one year from the approval of one or more certified service providers. And the service providers are these data...software databases that will allow a vendor to know what the tax rate on an item is in Elko, Nevada, and Bangor, Maine, and Pierre, South Dakota, and Tallahassee, Florida. There are 2,000 taxing jurisdictions. The database would allow a company to figure out the sales tax in any one of those 2,000 tax bases, and that's why it's important to wait for the database to be available. It is not now; it will be soon, and the amnesty period should run from the availability of that database. Thank you.

SENATOR CUDABACK: Thank you, Senator Landis. You've heard the opening on the Revenue Committee amendments by Chairman Landis. Open for discussion. Senator Chambers.

SENATOR CHAMBERS: Mr. President, members of the Legislature, I think I can ask Senator Landis the questions that I have on this