

what does this measure mean in terms of additional revenues for the State of Nebraska? The first report by the Nebraska Department of Revenue indicated that this would probably have an impact of \$4.2 million on the state, that is we would collect that much more money in our sales taxes but if you look at your bill book, you will see that that report has been revised and the Department of Revenue is now talking about collecting \$5.3 million. What that means very simply is that the State of Nebraska, by lowering the collection fee allowance, will have that much more money in the treasury that can be used to affect an overall rate decrease for all Nebraska taxpayers. This is a classic revenue enhancement measure whose time has more than come and whose cause is very just.

SPEAKER NICHOL: (Gavel.) May we please have a lower level of conversation and a little more respect for Senator Vard Johnson. Thank you.

SENATOR V. JOHNSON: Yes, I would like to have a little more respect. I would commend this measure to you wholeheartedly. I should also tell you that the Revenue Committee entertained another bill which would have eliminated the collection fee allowance entirely but the Revenue Committee was balanced in its approach. It decided not to eliminate the collection fee allowance entirely but rather simply to go along with this measure which rolls back collection fee allowances for the very large retailers. Now I know this bill will have opposition. It had opposition in committee and let me in a sense make one of the arguments that deals with the opposition point of view. The argument is this. Somehow and in some way the cost to the retailer of collecting our taxes and remitting our taxes to the state exceeds the amount of the collection fee allowance. In candor, there are no studies dealing with Nebraska retailers on that point. There simply are no studies on that point but what I want to tell you is this. I want you to think about this. We impose tax collection requirements today on virtually every enterprise in this country and we don't allow those enterprises any allowances for their doing their duty to the government that serves them. For example, as a lawyer, I have employees. I am required to deduct from my employees' paychecks the amount of their accrued income tax liabilities and remit those accruals on a quarterly basis to the federal government. I receive no collection fee allowance for that. I am required to deduct from my employees' paycheck their Social Security payments and in addition I am required to match their payments. I receive no collection fee allowance for that and that is true for every employer in the State of Nebraska.

SPEAKER NICHOL: One minute.