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when we do this kind of thing. I certainly endorse the kill motion.

SPEAKER NICHOL: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, and, Senator Peterson, I haven't had any cost accounting in college but because of that I want to ask Senator Hefner some questions because he can help me since obviously he is in the business, has had cost accounting and all these other things that are necessary to intelligently discuss this issue. Senator Hefner, would you answer a couple of questions and enlighten me, please? You mentioned bad debts and bad checks that a retailer might be exposed to and you tied that in with this issue of sales tax collection. Would you tell me how that works, what relationship the two have to each other? Would somebody turn on Senator Hefner's mike?

SPEAKER NICHOL: Senator Hefner, would you respond, please.

SENATOR HEFNER: Yes, Senator Chambers, I'll be real happy. Okay, when you receive an insufficient check or a bad check, say that there is no money in the bank or this account....

SENATOR CHAMBERS: Mmm, hmm.

SENATOR HEFNER: ...okay, that is an expense of doing business and....

SENATOR CHAMBERS: What does that have to do with the sales tax, that's what I want to know?

SENATOR HEFNER: Well, a lot of times, okay, let's just take a \$100 sale. The sales tax on that like in Omaha would be, where you live, would be \$5.00. Where I live it would be \$3.50.

SENATOR CHAMBERS: Okay.

SENATOR HEFNER: Okay, so when you have a bad check you lose this amount. It is true, you can apply to the state to get this back but it usually costs more to apply to the state to get it back than what it amounts to.

SENATOR CHAMBERS: But, Senator Hefner, when the bad check is taken originally there has been a lapse on the part of the merchant, hasn't there, in not determining that the person either was whom he or she said or checking to see if there was sufficient funds there? The merchant could