

April 9, 1996

LB 129C

SENATOR CROSBY: Thank you, Senator Wehrbein. Senator Maurstad.

SENATOR MAURSTAD: Thank you, Madam President. If Senator Warner could yield to a question.

SENATOR CROSBY: Senator Warner, will you yield?

SENATOR WARNER: Yes.

SENATOR MAURSTAD: Senator, this, of course, also affects the locales where these businesses are located relative to the local option sales tax that communities will lose or be affected by this. Is there something in this amendment that would provide some type of a reporting to the locale that would be affected?

SENATOR WARNER: Not as drafted, Senator Maurstad. I can appreciate the issue that you're raising. I know at least one finance director I was acquainted with in a city individually contacted different firms to get an estimate of when they might be doing refunds so that he could make better projections. I don't know that that would be customarily true in other areas, but this bill as it is set would not go to the city by city level. At some point you get into that confidentiality issue that I don't know for sure how much revenue the Department of Revenue information they could share.

SENATOR MAURSTAD: Well, I raise this because I know that when cities receive the sales tax revenue for their local option sales tax they receive a report and generally the first time you're aware that there's a reduction in sales tax than what you are anticipating is after the fact. And when you see that it's considerably different than the same month of the previous year, then you can go back to the Department of Revenue and check and see and they can provide you with an amount. They don't obviously provide you necessarily with the details of which companies that they were from, but they can provide a total. And there probably isn't a way to address that particular concern at this point in time, but I would hope that we could maybe address that issue because just as it affects the Legislature in our Appropriations Committee, it also affects the budgeting of local communities that are involved in this; and I think we should find a way to provide them with adequate notice similar to what we're providing ourselves. Thank you, Madam

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