

March 22, 1973

Tax Commissioner. Senator Nore, then Senator Keyes, then Senator Goodrich.

SENATOR NORE: Mr. President, I'd like to ask Senator Goodrich a question if he'll yield.

PRESIDENT: Senator Goodrich, will you yield to a question?

SENATOR GOODRICH: Yes.

SENATOR NORE: Now you say this is legal. Do you think it's equitable to all the other taxpayers?

SENATOR GOODRICH: When you end up with an end product that you're paying \$253,000 a year more taxes than the property is now producing--

SENATOR NORE: Is this real, is this sales and income tax or is this property tax?

SENATOR GOODRICH: That's a real estate tax.

SENATOR NORE: Now what about sales and income tax?

SENATOR GOODRICH: Well, income tax to the corporation that would manage the, and own the actual "tower" what we call the tower and the two main floors, they would pay sales, income tax, whatever they did in the State of Nebraska, just like anybody else. Now the corporation that owns the parking facility and the land underneath it would have very little tax to pay, but the cost, what we call the cost benefit ratio from parking facilities, is the reason for the tax exempt status of that to make the entire project feasible to produce the \$253,000 worth of real estate taxes that would be paid, more than what we're getting now in Douglas County from that particular piece of property so the sales and income tax would be paid by the Trans-America Company.

SENATOR NORE: I would like to add to Senator Whitney's statement that we already have a rash of tax dodging schemes. One is in the restaurant business and you all know it. It's very difficult for a man that don't pay--pays his taxes on, fairly on his property and have someone next door who doesn't, he's on a non profit basis. It's almost impossible for him to stay in business. Now if we're going to go into socialism, I think we better go that way or the other way.

PRESIDENT: Chair recognizes Senator Keyes.

SENATOR KEYES: Well, Mr. President, I just want to inform Senator Goodrich of one thing. The bonds issued for this, issued and the interest is exempt from the Federal Income Tax and we collect a portion of the Federal Income--

(End of Belt #2)

(Start Belt #3)

Tax so that we are going to lose money. The State is going to lose money because these bonds, several \$2,500,000 or whatever it is, are not going to be subject to the income tax, either on the Federal level or on the State level, so the State is really interested in this. For my part and the good words of Senator Nore, I do not look with favor on socialism, I'm probably very much a capitalist in that field.

PRESIDENT: Chair next recognizes Senator Goodrich.