

May 23, 1973

you set the rates and I know we can't delegate that authority unless there's specific guidelines. If this body were to say 70-30, 40-60, this then would be a fair, proper delegation of authority but we have 50-50 now.

SENATOR WHITNEY: Yes, now when would the Legislature then, Senator Burbach, when would the Legislature be in a position to set those rates? Would it be, for example, while they're in session or would they have to call a special session or--

SENATOR BURBACH: Well, Senator, Senator Whitney, following through on the first amendment and by the vote on the board I'm sure everyone wants the vote to be setting as late as possible, close to November 15th for many reasons, the price of stocker and feeder cattle and all these different things. We would either set it in this instance in 1973, I presume, on June 1 or have a special session to set it at some later date.

SENATOR WHITNEY: Thank you.

SPEAKER: Any further discussion. Senator Carpenter would you like to close?

SENATOR CARPENTER: Well, Mr. President, I don't read that into this amendment but that's beside the point. I think periodically this body ought to review those things which in the past somebody's accomplished. If this body feels that the income tax should not have any limitation except the limitation, the ratio between the sales and the income tax, that's your judgment and I, I don't see in any case how it's going to require this body, if you adopt this amendment, to set the rate ourselves because for practical reasons, there is no way in which we could do it anyway. But in any case, it's just here for your review and your consideration and I ask for a record vote.

SPEAKER: Question is shall the Carpenter amendment be adopted? All those in favor vote aye. Those opposed vote no. Have you all voted? Clerk will record.

CLERK: Vote read. 2 ayes, 28 nays, 19 not voting.

SPEAKER: Motion fails. Are there further amendments, Mr. Clerk?

CLERK: Yes. Your severability portion of that amendment then, there's no reason to consider that is there? On that same amendment the last paragraph was a severability clause, but there's no reason to do that? Okay, then the next amendment, Mr. President is offered by Senator Duis, (read).

SPEAKER: Senator Duis.

SENATOR DUIS: Well, Mr. President and Members of the Legislature, I move the adoption of the amendment. This amendment is to change the word of "including" to "excluding" in this legislative bill due to the fact that this amendment was apparently put on during select file at the time this bill passed and it should be off of there. The reason is the patronage refund allowances under the Federal Income Tax, under State Income Tax of every other state in the union with the exception of Nebraska, when allocated to members of a cooperative, are not taxable to the cooperative corporation. In other words, the tax on the earnings of the