

the cost tag of this amendment is.

SPEAKER: Senator Simpson.

SENATOR SIMPSON: Mr. President and members of the Legislature, I, too, would oppose the amendment. When this amendment was put into the bill in 1967, we surely knew what we were doing and there was not that much objection. I think that these people should pay, should not get an unfair advantage by being taken out of this bill now and so I would hope we would leave it alone as it is.

SPEAKER: Senator Whitney.

SENATOR WHITNEY: Mr. President, members of the Legislature, I am going to have to support the amendment. Now Senator Burbach says that this would be eroding the tax base. But if Co-ops can erode this tax base anytime it wants to by creating greater competition for private business, by paying higher prices, forcing the private business man to pay the higher prices for grain, for example, or in the sale of commodities. The Co-ops can give discounts such that there will be no savings involved. They have this prerogative now and so I feel that what this amendment would be to tend to prevent the Co-ops from creating greater competition among private business men in the state of Nebraska by reducing their prices of the goods they sell..that is by not reducing the prices of the goods down to below the competitive price, and so I feel that I'd have to support this amendment.

SPEAKER: Senator Cal Carsten.

SENATOR CAL CARSTEN: Mr. President and members of the Legislature, I would like to ask Senator Burbach a question if he would yield.

SENATOR BURBACH: Surely.

SENATOR CAL CARSTEN: Senator Burbach, I was not in the Legislature at the time this was adopted. I have been led to believe that the part that involved the cooperatives in this tax field was put on on Select File and did not actually have a public hearing and for informational purposes, can you clarify this?

SENATOR BURBACH: Oh, I think that's correct, Senator Carsten. There were many..when you have a bill that has 300 amendments offered to it in Public Hearing and about 152 are accepted and a like amount rejected, then there were also other amendments offered on the floor, either on General File but there was a minimum on General File, but I think the record would show this was not the only one offered because this is brand new legislation. This legislation of income tax was set to hinge upon the Federal and this was a departure of hinging to the Federal. There are three or four other departures from hinging on the Federal, also.

SENATOR CAL CARSTEN: OK. Thank you. I would hasten to add here that this is probably one of the areas of where we get into some problems when we do adopt amendments, in many instances hurriedly and I don't say that this one particularly was, but there was not an opportunity for testimony to be given either for or against other than in floor debate. I would also point out one other thing that in the last analysis in the last year that was made on income tax paid by cooperatives that a little more than a third of them in the state of Nebraska paid more state income tax than they did federal income taxes and in some cases five times as much and I think and I appreciate Senator Burbach's position. Anyone that is in private business, certainly, I am sure would have quite strong feelings against cooperatives but