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dividends, both cash and those certificates which they, of deposit which they send to their members which, for the most part, represent most of the profits.

SENATOR BURBACH: No, Senator Carpenter, they do this on the Federal tax, but they, in the case of Nebraska they pay on their profits before the patronage refund, before the dividends on the stock and before the per unit retain.

SENATOR CARPENTER: Then if I understand you right, upon advice of the Tax Commissioner, after all, you have to refer to him as anyone would, it's his statement and your belief that the co-ops now are allowed no deduction from their profit before they pay the income tax only in the area of their patronage dividends, either cash or certificates of credit.

SENATOR BURBACH: This would be correct. If they make, if, but no, they pay on the full amount the way we're operating today.

SENATOR CARPENTER: That's what I'm saying. There's, there's no deduction of the patronage fund, either in cash or credit from the amount in which they are taxed on the basis of the income tax of the State of Nebraska?

SENATOR BURBACH: Right.

SENATOR CARPENTER: Thank you.

SPEAKER: Senator Stahmer, I'm sorry, you had the floor there.

SENATOR STAHMER: No, that's alright. I, I think those basically answer the questions I had in mind and I wonder if it would be proper at this time to call for the question.

SENATOR BURBACH: Could I make a statement before you call for the question?

SPEAKER: Senator Burbach.

SENATOR BURBACH: I'd like to make mention of the fact, we're not necessarily talking about the little co-op in your town and in my town. Sure they're included, but let's look at the picture as it actually is. Some of these national, major co-ops that do business across the length and breadth of the United States, they operate under the name of co-op (mike off). They sell on the open market. They sell to anyone who will purchase, not only to the co-ops so we're talking about a whole lot more than that co-op in your, on your mainstreet and on my mainstreet. We're talking about the entire bundle of co-ops as we know them, as operate, not only in the State of Nebraska, but in the United States and their proportion of the amount of business that they do in Nebraska.

SPEAKER: Senator Stahmer, I have several lights on here yet. Do you want to withhold your, or you want to put the question? Senator Whitney.

SENATOR WHITNEY: Mr. President, I just want to explain that the co-ops is not a socialistic institution. It's a business which is owned by the farmers. Now these farmers have their own board of directors and they can give back to themselves all the profits if they want to. Some of them call it savings. Therefore, there would be