

PRESIDENT: Senator Burbach yield.

SENATOR BURBACH: I am sure that's correct. We would have to have an "A" bill for this or a budget bill to provide those additional funds and in the best auditing practices, it is not deemed necessary to have this amendment.

PRESIDENT: Senator Whitney. Still talking on the Carpenter amendment.

SENATOR WHITNEY: Mr. President, members of the Legislature, I would feel that even though we do not have any money for this that just the fact that these corporations knew that our Revenue Department had the authority to go out and inspect their books, that that would be a deterrent to them to try to evade any Nebraska State income taxes and I can't see anything wrong with this amendment of Senator Carpenter's. I've read the amendment over. I can't see anything wrong with it. All it does is simply give the Revenue Department the authority to do this if they want to. This is my understanding of the amendment.

PRESIDENT: Senator Burbach.

SENATOR BURBACH: That authority already exists in our present statutes.

PRESIDENT: All right. Senator Kelly.

SENATOR KELLY: Mr. President, a Senator..a question of Senator Carpenter.

PRESIDENT: Senator Carpenter yield.

SENATOR CARPENTER: Certainly.

SENATOR KELLY: Senator Carpenter, would you please tell me the rationale or the wisdom of the ten million dollar figure.

SENATOR CARPENTER: Well, I talked to Senator Barnett and he made a study. He went to the Tax Commissioner's office and I don't want to leave the impression that they in any way shape or form endorsed this proposed amendment, but after the consultation with them he and I arrived, at least I arrived at the ten million dollar figure as being a reasonable point to experiment and to start with.

SENATOR KELLY: Could you give me an example of some firms or corporations in Nebraska that would be effected by your amendment?

SENATOR CARPENTER: I am not talking about Nebraska firms. I am talking about foreign firms. I will talk about Nebraska when I get through this.

SENATOR KELLY: I am well aware of that, sir. Firms that are operating in Nebraska.

SENATOR CARPENTER: Well I would say anybody. Sears & Roebucks, Montgomery Ward, Standard Oil Company, Skelly, you name them, thousands of them. Everybody would have that type of a gross income..gross sales.

SENATOR KELLY: I thank you.

SENATOR CARPENTER: This is based upon the gross sales of the corporation, not any part of their income.

PRESIDENT: Any further discussion now of the Carpenter amendment. Senator Carpenter, do you have any closing on your amendment.

SENATOR CARPENTER: Now, Mr. President, let me get you down