

of the committee amendments strikes certain language that suggests local school districts, technical community colleges and so forth would be included under the provisions of the bill. This is contrary to the intent of LB 192, which as I understand it, is to apply only to state owned and operated entities. So it strikes that part out. The second part of the committee amendment adds language to clarify that state agencies, boards and commissions in addition to state educational institutions must credit any sales tax refunds to that fund from which payment was originally made. If the amendments are adopted, all state entities including the University, Department of Education, State Colleges and agencies, boards and commissions must make the credit for any sales tax refunds received in lieu of an exemption at the time of purchase to the fund from which the payment of tax was originally made. That explains the committee amendments that were adopted, Mr. President.

PRESIDENT: The Chair recognizes Senator Nichol.

SENATOR NICHOL: Mr. Chairman, I would like to ask Senator Carsten a question please.

PRESIDENT: Senator Carsten, will you respond?

SENATOR NICHOL: Senator Carsten, you went through that kind of fast. Did you say that now the University of Nebraska, State Colleges are exempt from this sales tax?

SENATOR CARSTEN: No, they are not exempt, as I understand but all this would do would require them when they get the refund back...well, they are exempt if they so choose. I guess that is correct, Senator Nichol. They can either be exempt or they can pay it and then ask for the refund. They can do either one. But what this does, basically, is say that they must, if they seek the refund, return that sales tax money to the fund from which it came to pay the tax.

SENATOR NICHOL: But they are collecting the tax now?

SENATOR CARSTEN: In some instances, I understand (interruption).

SENATOR NICHOL: Would this bill allow them not to collect that tax? Must they collect it and give it back?

SENATOR CARSTEN: I don't think so but that is a technical question and it came to us from Senator Warner and the Appropriations Committee that they needed clarification in