

SPEAKER MARVEL: The amendments are adopted. Senator Wagner, do you wish to explain, the motion is to advance the bill so you are speaking to that motion.

SENATOR WAGNER: Fine. Mr. Speaker, members, LB 650 essentially clarifies a section of law 76-902 in Section 5 which is the Documentary Stamp Act. Let me go back a ways in relation to this, in 1966, the tax shifted from the federal government to the state government which imposed a tax...getting exempted transfers between husband and wife and children. In 1969, Senator Clark and Senator Carpenter introduced LB 430 and 430 was needed because it clarified the exemption as far as the family corporation was concerned. Since that time, family corporations are probably moving down a little bit, and in turn, partnerships are becoming more prominent, but the section of the statute right now is not clear as far as partnerships are concerned. In some of the counties in my area, they are charging this documentary stamp. In other areas, they are not and this is the reason then for introducing LB 650. It clarifies this section and it essentially exempts the partnership, and I would move this bill then.

SPEAKER MARVEL: The motion is the advancement of LB 650 as amended to E & R for review. Any further discussion? Senator Newell.

SENATOR NEWELL: Senator Wagner, if I could ask a question or two, this deals only with the partnership itself. In other words, if one partner sells to another partner for some reason then they are exempt from the stamp act, is that correct?

SENATOR WAGNER: Yes, as long as the transfer doesn't entail any value of dollars back and forth. It is just a shares and deeds.

SENATOR NEWELL: Okay, now if the transfer does involve dollars, in other words if there is a dollar and other consideration, does that trigger then the stamp?

SENATOR WAGNER: If there is a dollar amount involved like you are selling something for so many dollars, that is a different condition, but this partnership is only for the purpose of just equal shares similar to a family corporation.

SENATOR NEWELL: Okay.