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to....or the cities and villages, I should say, the only thing that is in there now, to ask and receive a refund, why they put all these entities under that same provision, so that they would have to go through a process to get any money back. Now, the amendment again turns it around and we have been in contact with the Revenue Department. They have a problem, and I passed out the copy of the amendment and I have also passed out the information on Guide 77-10 by the Nebraska Sales and Use Tax. There is some discrepancy in how you determine what is exempt and what is not, and if you will look at the information guide you will notice that on the front page in the middle of the page it says "Governmental Capacity". It lists all the things that you can deduct and then on the back side of the page at the top it says....it lists things that cannot be deducted, and several of them are really on borderline. It says, "purchase of pipes to be installed in water lines". Now how do you determine whether that is part of the project or not? Purchase of water meters. And then, of course, it has to do with swimming pools and several other things. If you charge for swimming, you can't deduct the tax on building a swimming pool. So it is kind of a complicated process, and I know Senator Carsten mentioned before when we had the bill up that it was complicated and they wanted to straighten it out so they were going to put everybody under one provision. Well, the proposed amendment that we have here today would do that. The only thing it does, it puts everybody under the provision that the tax has to be paid into the State Revenue Department, and then you ask for the refund.

SPEAKER MARVEL: You have one minute left, Senator Kahle.

SENATOR KAHLE: Then you can at least know exactly what you have put into the project. You know exactly what is in this information guide that you can deduct, and so it spells it out quite plainly. Now, if we are going to put it all together, I would guess this is the way to do it so that everybody is in the same category. It has been difficult for the Revenue Department to come up with an exemption ahead of time, because they don't know exactly what is going into that project. If everyone was treated the same and the sales tax was paid in and when the project was finished or near completion the refund could be asked for and all these entities of government and charitable institutions would have the same chance. That is what we are trying to do with this. If it is left the way it is now, it really doesn't help any purpose in my reasoning for introducing it, because it just makes it difficult, or

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