

March 25, 1980

LB 905

who now have a burden that they should not be asked to bear. This particular bill was before the Revenue Committee previous times in previous years and was killed and through intricate legislative manipulation this session it went to a different committee, not the Revenue Committee, to a different committee and came out on the floor where it really never should be and I have received a lot of letters from self-interested insurance brokers as I am sure a lot of us have but I would urge you to ignore those letters. Ignore those letters that come only from the industry that is going to benefit from this and ask yourselves if you have received any letters from property taxpayers about this bill. Have you received any letter from the average person in your district whose property taxes are up 40, 50 or 60% this year asking you to give the insurance companies a \$309,000 exemption? Of course you haven't and I think it is very important for us to step back and take a look at what we are doing and maintain our focus and strike the enacting clause from this particular bill. Thank you, Mr. President.

SENATOR CLARK: Senator Barrett.

SENATOR BARRETT: Mr. President and members, very briefly I rise in opposition to the kill motion. LB 905 does, in fact, exempt premium tax on IRAs by insurance companies. A reminder about committee consideration, LB 905 did, in fact, advance without opposition from the committee as I recall. The bill was reported out of committee on a vote of six to nothing. The bill was then advanced to Select File on a vote of twenty-six to one. The bill simply makes Nebraska law conform, in my opinion, with the 1974 IRS ruling and federal law and policy. Current Nebraska law does not tax and should not tax IRA plans which are offered by banks and savings and loans. 905 simply asks that all IRA plans in Nebraska be treated equally and fairly and I believe that is really the bottom line. It is equitable treatment by all who are selling IRA accounts. I would urge you to reject the kill motion.