

March 24, 1982

LB 760

bill was read on January 11 of this year, Mr. President, referred to Revenue for hearing. The bill was advanced to General File. There are committee amendments pending by the Revenue Committee.

SENATOR CLARK: Senator Carsten, on the committee amendments.

SENATOR CARSTEN: Mr. President and members of the Legislature, I move for the adoption of the Committee amendments. The bill in its original form was divided into three sections for the corporate tax and after the hearing and in our executive session our committee made the decision to make only two parts to it with \$50,000 being the dividing point. Those below \$50,000 would be 25% and those \$50,000 and over at 40% and that is what the committee amendment is. I do have then, as you recall, we had after that a second visit by the Governor and his revision of his plan along with his revenue measures and in light of that then, our committee had another action and I do have a second amendment to the committee amendments that I would like for the Clerk to read that one if he would at this time please.

SENATOR CLARK: We have an amendment to the committee amendments.

CLERK: Mr. President, Senator Carsten would move to amend the committee amendments. Senator Carsten's amendment is on page 1351. It would read as follows. (Read.)

SENATOR CLARK: Senator Carsten.

SENATOR CARSTEN: I would move for the amendment to the committee amendment and all this does was drop from 40 to 35, where the break for the 50,000 took place. It did seem that this presentation was more in order even though the Governor originally thought that the three step was better. We've had no real objection to it at this point and I would move for the adoption of the amendment to the committee amendment.

SENATOR CLARK: Senator Burrows, on the Carsten amendment.

SENATOR BURROWS: Mr. Chairman, members of the body, I oppose the amendment to the amendment which would reduce the 40% to 35%. We're speaking of a percentage of the individual liability and that is assessed against taxable income of the corporations. Presently with existing rates, Nebraska is forty second or forth third depending on how you figure it of forty-five states that have a corporate income tax. We are right near the bottom. The original bill with a 15% rate would have brought us to about midway, about twenty fifth,