

the amendment. The purpose of the bill is to encourage out of state merchants to collect sales tax on out of state sales which are delivered within the state and these merchants can either get a sales or use tax permit or they can supply a list of purchases...of purchasers to the department, that is to the Department of Revenue. If they don't, then they cannot use our court system to go after the debtors. Language at the lines 17 to 24 on page 3, and this is a Final Reading copy, would put the same burden on the operator of a credit card system. However, in the case of the credit card institution, it has no way of knowing whether the retailer has a sales or a use tax permit and, therefore, I feel that it is unfair and unworkable to put that burden on this credit card company. An innocent party shouldn't be penalized and it was not my intent when I had the bill drafted, to penalize the credit card company. If we don't delete the language, credit card companies may just...they just won't honor these credit cards on any of the out of state sales and so in order to avoid this problem of noncollection, I am introducing this amendment. This, like I told you before, wasn't my intent. I passed out a letter a little earlier from the State Tax Commissioner and the State Tax Commissioner and the Department of Revenue agree with this and so what this amendment does is strikes the lines 17 through 24 on page 3 of the Final Reading copy of LB 552. I move that we return this bill for this amendment.

PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR DECAMP: Okay, Mr. President, yes, I went over this this morning with some people and I certainly support the amendment. I think you've...I think you may even have a constitutional problem otherwise because you are preventing somebody who is not even remotely involved from using the court systems with the original bill. I do not support the original bill. I think it has got problems itself, but certainly this section or this sentence should be taken out because it purports to bind a credit card company on the collection of a credit card bill when, as I say, they are not even remotely involved in the transaction.

PRESIDENT: Is there any further discussion on the motion? Any closing, Senator Hefner? The motion is by Senator Hefner to return LB 552 to Select File for a specific amendment. All those in favor vote aye, opposed vote nay.