

with their teacher and I understand that Senator Hannibal's daughter is with this group. Would you please stand and be recognized. Thank you for visiting the Legislature today. Senator Lamb.

SENATOR LAMB: (No response.)

SPEAKER NICHOL: Senator Vard Johnson next.

SENATOR V. JOHNSON: Mr. Speaker and members of the body, I thought I would spend a little time clarifying the issues on magazine taxation. Obviously we do collect a sales tax on all magazines that are sold at a newsstand but we were not able to collect a sales tax on subscriptions. They are exempted as a matter of law. Now the Governor thought that we ought to impose a sales tax on magazine subscriptions. The Revenue Department decided that if we did that we would probably raise about a half a million dollars more in taxation. When the Revenue Committee heard this issue, the one question raised was raised by Senator Landis and it was this. Senator Landis said isn't there a case which holds that excessive tax on the print media violates the First Amendment of the United States Constitution, and I got to thinking in my own mind that, yeah, there might be such a case so we did request an opinion of the Attorney General. The Attorney General wrote back saying as long as a tax imposed is a reasonable tax, as long it is a reasonable tax, then it is not violative of the First Amendment of the Constitution. Well, that opinion apparently startled the magazine lobby. Now we don't have a real powerful magazine lobby in this state because we don't publish very many magazines in Nebraska but we do publish the Nebraska Farmer and a second opinion was requested, and it was requested by Senator Hefner. The second opinion said, well, you know, you have got to have a rational basis in terms of making some people pay a tax and other people not pay a tax, and since the state does not purport to tax newspapers nor subscriptions on newspapers but it would tax magazines and subscriptions on magazines, and since those two items both convey similar kinds of material, and since it is hard to differentiate one print media from another print media, we think that a tax solely on magazine subscriptions would be constitutionally suspect. It is what they said. Now, mind you, magazine subscriptions are taxed in most of our sister states and, mind you, it has not been found to be constitutionally suspect in most of our sister states. In