

in a way that is agreeable to those folk who have subchapter S corporations and their accountants. Senator Pappas has a friend in North Platte whose eagle eyes caught this and said I could take advantage of the change, but I would like for the change to be retroactive two tax years. I haven't been able to scope out what the cost would be to the taxpayers of the state by reason of the change. My guess is it would be very modest in amount. I suspect that this is one of those kinds of amendments that so easily slips into tax measures in the House Ways and Means Committee. I suspect that it's probably not an inappropriate amendment. I don't see any reason not to support the amendment at this juncture. We can put it on the bill. We can put it in the committee amendments. If the Tax Department indicates later on that there is a real problem with it, I'll try to take it out, but I don't see any problem with it at this moment.

SPEAKER NICHOL: Senator Richard Peterson, did you wish to speak to the Pappas amendment? All right. If anybody wishes to speak to the Pappas amendment...okay, Senator Shirley Marsh.

SENATOR MARSH: Senator Pappas, I want to be sure I thoroughly understand. Would you in one paragraph of space tell me again what your amendment does in relation to those persons who have already spent their hard earned dollars on energy saving pieces of equipment between January 1 of this year and now?

SENATOR PAPPAS: No, it doesn't deal with that, Senator Marsh. It deals basically with the problem that Nebraska has never recognized...some states don't recognize subchapter S corporations within the State of Nebraska. It doesn't deal with energy at all. It just...basically what it does is dissolve a long-standing dispute Nebraska has had with different taxpayers in different states as far as the recognition of subchapter S. It doesn't deal with it. I do have an amendment later that deals with just what you're talking about and I feel the same way you do.

SENATOR MARSH: Thank you very much.

SPEAKER NICHOL: Is there anyone else that wishes to speak about the Pappas amendment? I have several lights on, but I don't think you wish to speak to...Senator Pappas, would you