

May 29, 1985

LB 717

PRESIDENT: Senator Johnson, Vard Johnson, are you available? Senator Vard Johnson, are you available for questions on the floor? Can't produce him at the moment, Senator.

SENATOR HIGGINS: Mr. Chairman, pass over to the next speaker, and then when he returns I will ask him. Thank you.

PRESIDENT: Do you want your time preserved then, after the next speaker?

SENATOR HIGGINS: Please.

PRESIDENT: All right. Senator Lamb.

SENATOR HIGGINS: He's here now.

PRESIDENT: Oh, here, here we are. Senator Vard Johnson, Senator Higgins has some questions of you.

SENATOR V. JOHNSON: Well...

SENATOR HIGGINS: Senator Johnson, under the present law we are collecting taxes from banks on deposits or on income?

SENATOR V. JOHNSON: Under present law we are essentially collecting taxes on income. We are not collecting taxes on deposits.

SENATOR HIGGINS: Is Senator Johnson's speaker on? I can barely hear him.

SENATOR V. JOHNSON: I'm sorry, sometimes I've got to put the microphone up a little bit, either that or shrink. I think that under current law, under current law we are essentially collecting our taxes on income and not on deposits.

SENATOR HIGGINS: On income. Could you explain to me this amendment and how it is going to affect the current law?

SENATOR V. JOHNSON: The current law is embodied in a bill known as LB 619. LB 619 simply adds to the income tax equation for banks some items that are tax exempt. Then it subtracts from the same equation certain expenses