

amendment presented by Senator Hefner at the moment and we will be back to that as soon as we get started up. Do you have anything to read in, Mr. Clerk?

CLERK: No, sir, nothing to read in.

SPEAKER NICHOL: Senator Hefner, we are back to your amendment. Did you wish to speak on it further? I don't have any lights on at the moment but if you would like to refresh our memories as to what we were doing, we would appreciate it.

SENATOR HEFNER: Mr. President, would this be closing then?

SPEAKER NICHOL: Not really, we will let you speak on it but if you would like to...

SENATOR HEFNER: Okay, why don't I go ahead and explain it just a little bit more. I know that a lot of you were on the floor this morning when I explained it but what this amendment would do is restore the 5 percent collection allowance to the cigarette wholesalers. In the original bill, LB 3, we raise the cigarettes 5 cents a package. In the other part of the bill, we reduce the stamping fee and the collection allowance for collecting the tax, cigarette tax, we reduce that to cigarette wholesalers from 5 percent to 3 percent. And what this would do is restore that again. According to the fiscal note that we received, the additional revenue in fiscal year 1985-86 from the additional 5 cent tax is nearly \$4 million. This is if the effective date is December 1st. Also the reduction and the discount for the collection allowance or for the stamping of the cigarettes is approximately \$340,000. Now for the next fiscal year, fiscal year '86 and '87, additional revenue from the tax increase is \$7,335,000 and from the discount reduction about \$557,000. I feel that now is not the time to change this commission allowed to the wholesaler dealers for affixing and cancelling the stamps. Raising the rate is one thing, changing the commission is another thing. In the studies that we had several years ago, State Tax Commissioner, a former State Tax Commissioner told us that it would cost the state between 7 and 8 percent to collect this. I want to call your attention, too, that the wholesale dealer, the wholesale cigarette dealer has to prepay for the stamps. That means he has to pay for the stamps ahead of times. So this means that he has a lot of