

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB890

Hearing Date: January 25, 2008

Committee On: Revenue

Introducer(s): (Flood)

Title: Exempt postage charges and certain magazine or journal subscriptions from sales and use tax

Roll Call Vote - Final Committee Action:

Placed on General File with Amendments

Vote Results:

5 Yes	Senators Dierks, Janssen, Langemeier, Preister and White
2 No	Senators Burling and Raikes
1 Absent	Senator Cornett
0 Present, not voting	

Proponents:

Senator Mike Flood
Christopher Amundson
Kathy Siefken
Doug Cunningham

Representing:

Introducer
Nebraska Life Magazine
Nebraska Grocery Industry Association
Affiliated Foods Midwest

Opponents:

None

Representing:

Neutral:

Sam Sidner
Catherine Lang

Representing:

Nebraska Game & Parks Commission
Department of Revenue

Summary of purpose and/or change:

LB 890 would enact two new sales tax exemptions. First, the bill would strike “postage” from the definition of delivery charges (which are taxable in Nebraska). Second, the bill would add a new section exempting sales of magazines or journals that are issued at least monthly. The bill would be operative October 1, 2008.

Explanation of amendments, if any:

The Committee amendments would replace the entire bill with a one section amendment. As amended, LB 890 would amend section 77-2701.35, the definition of “sales price” to exclude from that definition, “delivery charges for direct mail”. This would exclude direct mail charges from the sales tax base in a manner consistent with the Streamlined Sales and Use Tax Agreement.

Senator Ray Janssen, Chairperson