

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

**LB898**

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**Hearing Date:** January 23, 2008  
**Committee On:** Revenue

**Introducer(s):** (Janssen)  
**Title:** Change provisions of the Unfair Cigarette Sales Act

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**Roll Call Vote - Final Committee Action:**

Placed on General File

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**Vote Results:**

6 Yes	Senators Burling, Cornett, Dierks, Janssen, Raikes, White
0 No	
2 Absent	Senators Langemeier, Preister
0 Present, not voting	

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**Proponents:**

Senator Ray Janssen  
Doug Ewald  
Dan Johnson

**Representing:**

Introducer  
Department of Revenue  
NE Assn. of Candy & Tobacco Distributors

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or change:**

LB 898 is a bill to modify provisions of the Unfair Cigarette Sales Act. It was drafted and introduced at the request of the Tax Commissioner. The revisions change the definition of cost of cigarettes from the lowest of two current methods of defining cost to a single definition of cost. This new definition of cost is replacement cost without subtracting any discounts. An additional change establishes the cost of doing business as 4¾ percent of the basic cost to the wholesaler. This percentage is to be used in enforcement of the Act's provisions in the absence of a filing of proof of a higher or lower cost by the wholesaler.

**Explanation of amendments, if any:**

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Senator Ray Janssen, Chairperson