

Senator Beutler's amendment.

PRESIDENT MOUL: The amendment is adopted.

CLERK: I have nothing further on the bill, Senator.

SENATOR HOHENSTEIN: I move the advancement of LB 406 to E & R for engrossing.

PRESIDENT MOUL: You've all heard the motion to advance LB 406. All those in favor please say aye. Opposed nay. LB 406 is advanced. LB 250.

CLERK: I have no E & R. I do have a priority motion. Senator Landis would move to bracket the bill.

SENATOR LANDIS: Thank you. I intend to withdraw that motion. You'll recall this was a bill about the uniform probate code and the use of nonprobate transfers on death. There were questions about this very technical field. I promised that I would give you some answers. And, in fact, I have submitted to all of you a memo on the questions that were raised. To review those questions over, Senator Hohenstein asked the question if this change and the use of transfers on death were implemented, would the responsibilities for paying inheritance taxes change? Let me tell you that I don't know, but I asked an expert, John Gradwohl, and he wrote me a memo which I put under my name. The truth of the matter is I didn't write a single word of it, John did. But it says that, in fact, the obligations are exactly as they are now, as they're currently required under state statute 77-2002, Sections B and C. These sections apply to trust and other forms of nonprobate transfers in current usage, and they would be used in this circumstance. No tax is now due on transfers between spouses, and the tax rate on transfers to close family members is very low. Nebraska's current system depends on voluntary compliance. Conversations with those in practice convinced me that our current law is adequate and changes to it are not needed. Second question was by Senator Pirsch, inquired if the changes described in LB 250 would apply to U.S. Treasury Bonds, and the answer is no. Treasury bonds are covered by federal regulations, federal transfer rules apply to those bonds, they're not covered in LB 250. Senator Bromm asked the question dealing with the effect of 250 on inheritance taxes. To the extent that a surviving spouse receives a greater share of a multiparty account, there could be less inheritance