



PO Box 6146  
Omaha, NE 68106  
402.561.6625

February 15, 2020

The Honorable  
Room #  
P.O. Box 94604  
Lincoln, NE 68509

Re: Thank you for Opposing Efforts to Change or Amend Sales and Use Tax for Services – LB946

Dear Senator,

As one of your constituents, I am writing to ask you to oppose LB946. I am employed and actively involved in Nebraska's advertising industry through the American Advertising Federation. The ambiguity of LB946 to change and impose sales and use tax on services in the state of Nebraska could create economic burdens for not only my industry but for those businesses I work with regularly. While the bill does not refer to advertising specifically, the obscurity of this bill does not exempt advertising as a service.

As a professional working in Nebraska's marketing industry, I have concerns that my livelihood, as well as the health of Nebraska's business communities, will be put in jeopardy if this broad new tax legislation passes.

Placing a tax on advertising services and/or placements increases the cost of advertising. Most businesses operate on fixed advertising budget and will compensate for the tax by decreasing their advertising purchases. This will have a direct—and negative—impact on the advertising industry, economy, consumers, and state of Nebraska. Advertising is a driver of Nebraska's economy, generating 15.2% of all economic activity throughout the state and accounts for 10.7% of all jobs in Nebraska.

Additionally, advertising benefits Nebraska's economy by:

- Informing consumers of products and services, including price information
- Offering a springboard for new products and services
- Easing the entry of new businesses to the marketplace
- Funding the media that connects our communities, providing news and entertainment

The advertising industry consists of clients, agencies, broadcasters, print media, outdoor, direct mail, commercial photographers, photocopying and duplicating, video production, commercial artists, graphic designers, and commercial printers.

Please support your constituents who work in, and benefit from, the advertising industry by not adding sales and use tax to advertising services.

Sincerely,