

April 3, 1973

SENATOR CARPENTER: Now with this, thank you. I only want to make one more statement, and then I'll sit down and turn it over to this body if you care to discuss it. I'm willing to vote for these bills and other in a like position if this body will raise the money to pay for them. Now there is a lots of ways you can raise money, and I'll give you a few suggestions, not without opposition. A third of the value of all this state is in paper ownership, in tangibles, they don't today pay 5c worth of taxes, and they represent one third of all of the value of all of the assets of all the things of any value within this state. If you would put a four mill, not a four percent, a four mill tax in, it would raise fifty million dollars, if you would tax insurance companies and raise the premium tax to what it is in other states, two percent we'd raise a lot of money. There is a lot of ways we can raise money from people today who are not overburdened with taxation. Now while I'm talking let me call your attention to one other thing. If and when we raise the sales tax one percent, or one cent, bear in mind the income tax today is now fifteen, that automatically becomes twenty, the ratio also raises the corporation tax that much. Now I'm not arguing whether it is desirable or not, I'm only saying that these things follow a chain reaction. This state is rapidly becoming one of the highest states in the fifty states in the area of the application of the income tax to the individual. Now let's just presume that we get to a point where you and I and incidently I'm now paying income tax, and let me say to the World Herald specifically, in the year of 1972, I made thirty three thousand dollars and I paid tax on every nickel of it. They seem to it that I did, so, now you have representation with taxation, and I'm glad it became effective so I'm becoming tax conscience, so long term I hope so, so I'm just brining these things, if we are going to spend this money, let's raise it, I'm willing to introduce all these bills and Senator Burbach has some bills coming on general file, which are germane and I'm sure they are germane in order to bring about this result, one of them would put into effect the service tax which will raise, on the same rate, a third as much as the sales tax, in other words a third of the sales tax is about thirteen million dollars, one percent, two and a half times that you get into about forty million dollars. Now if we are going to spend this money, let's raise it, and I'm willing to spend it, and I'm willing to take the responsibility for the offering of the amendments of the bills in order to put the problem before you people as to whether or not to collectively we want to raise it and we want to spend it, and that's all I have to say, except when you get through, I ask unanimous consent the withdrawal of the motion I have on the Clerk's desk.

PRESIDENT: The Chair recognizes Senator Snyder, then Goodrich, then Schmit, then Kennedy. Senator Snyder. The motion is to return LB 235 to select file for specific amendments, that would be to strike the enacting clause.

SENATOR SNYDER: Mr. President and members of the body, I'm glad to see the motion there for the purpose of discussion. I'm also glad that Senator Carpenter has said that when the discussion is through we should allow him to with -

(End of Belt #1)