

paid more property tax than they got in gross income, entire income.

PRESIDENT: Your time is up, Senator.

SENATOR BURROWS: Thank you.

PRESIDENT: Senator Simon.

SENATOR SIMON: Mr. President, members of the Legislature. I rise to oppose the Koch motion and support LB 192. Senator Koch, as you know I was in support of LB 33 and Senator Koch talked about re-evaluation and the need for all counties to come into uniform appraisal. I don't think that is the issue here. I think what we are talking about is whether or not we are going to have a different system of taxation to provide revenue for schools. Right now, Senator Koch, as you certainly know, and we have discussed about the need for reform in the area of taxation, about 65% of our taxes, of our tax dollars, every dollar that I spend on taxes, 65% of that goes into local property taxes. Well, it is about 65%, Senator Koch, but if you want to use a higher figure, I certainly wouldn't argue with you. The point is that we both agree that it is a disproportionate figure and in no case should 65 should two thirds or more of our tax dollars be going out of our own pockets on property tax to take care of those needs of local political subdivisions. Now I don't know what the magic figure is. This summer the Revenue Committee travelled across the state talking on the subject and listening to people across this State of Nebraska asking them what you think would be a reasonable system in terms of taxes. The answer that we got most often and Senator Burrows is a member of that committee, most people said that we would like to use something like maybe more one-third, one-third, one-third. One-third on property tax, one-third on sales tax and one-third on income tax. Now, I don't know if that is the magic figure or not. But at least that is a more equitable system. Now, I would suggest to this body that property taxes are the most regressive forms of taxation that we have in the State of Nebraska. They are not based on a persons ability to pay at all. At least the sales tax which others have said is regressive is more progressive from the stand point that if I want to buy a car, I can make the choice of buying a new Mercedes Benz or a used Volks Wagen, I have that choice between me. Property tax, I have very little. If I happen to have a mother that has lived in a house for thirty years and that house is re-evaluated tremendously that house may be worth \$40,000 but that value will not buy meat, that value will not provide the bread, the food to put on that table. I think that the property tax is the most regressive. If we are truly concerned about trying to change the method of taxes and try to make things more equitable, Senator Koch, we have to take up 65% or 70 as you say and lower it down. I think that Senator Burrows has a very legitimate concern and a very legitimate approach to the problem by addressing what we pay in taxes to schools. After all our taxes to schools amount essentially to two-thirds of our property tax. So, I definitely rise to oppose LB 192, I would ask the body that if you are truly concerned about rising property taxes as we all profess to be, and we are truly concerned about trying to make things more equitable, that we listen to the people in the State of Nebraska as the Revenue Committee did this past summer and try and cut down that