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LB 329

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SPEAKER KRISTENSEN: Senator Coordsen, you're recognized to open.

SENATOR COORDSEN: Thank you, Mr. President, members of the body. This is an amendment that Senator Wickersham had a significant amount of interest in and I would like to give to Senator Wickersham the remainder of my opening time.

SPEAKER KRISTENSEN: Senator Wickersham.

SENATOR WICKERSHAM: Thank you, Mr. Speaker. This amendment is an alternative to a provision that was in the bill originally. If you recall, the original bill came from the Revenue Committee with a provision that would have placed the revenues from occupation taxes inside restricted funds for municipalities. Occupation taxes are now the...almost the only tax that are completely free of restraints. They are free of restraints in return...with respect to rates. They are free of restraints with respect to the amounts that can be raised and used from those taxes. They look, in most instances, just like sales taxes. I thought it was reasonable, the committee thought it was reasonable, rather than attempting to limit the use of these particular taxes by rate, to limit them by placing them inside the restricted funds so that if you raised a lot of money with occupation taxes, you had to reduce other taxes. That amendment was or that provision was struck as being objectionable to some municipalities. This is the alternative. It's an alternative way to restrain the growth and the use of an unlimited tax. This subject area is the subject, again, of an interim study by the Revenue Committee. I am not going to pursue the amendment today but this is what can be done as an alternative to what I think is a far more reasonable proposal. It is not appropriate, in my view, to have in our current tax and budget structures a tax that is unlimited by rate and unlimited by amount that can be used, particularly when it looks so much like a sales tax in its application. So we will be back with this particular issue. I don't think we need to take a lot of time as I've noted again today with this...with this amendment, but it is an alternative, and if you don't think these monies ought to be contained in