

February 23, 1979

LB 17

if we dig it out, but to have the Revenue Department put it to the Legislature in a usable form where we can make plans in our tax system to have a reasonable tax system for the future of the State of Nebraska. Thank you.

SPEAKER MARVEL: Senator Haberman. Do you wish to be recognized? The Chair recognizes Senator Haberman.

SENATOR HABERMAN: Mr. President, I move the question.

SPEAKER MARVEL: The previous question has been called for. Do I see five hands? Okay, I do. All those in favor of ceasing debate vote aye, opposed vote no. Have you all voted? The question is ceasing debate on discussion on LB 17. Senator Haberman, do you wish to be recognized? Okay. Record the vote.

CLERK: 17 ayes, 12 nays to cease debate, Mr. President.

SPEAKER MARVEL: Motion lost and the next speaker is Senator Johnson.

SENATOR JOHNSON: Mr. President and members of the Legislature, I rise in support of LB 17 with the committee amendments. In my opinion, this piece of legislation is not substantially different from what the federal government presently does in the Internal Revenue Service. That is, the federal government prepares for Congress a report annually known as a tax expenditure report, and that tax expenditure report costs out each deduction, each exemption allowed by the Internal Revenue Code. Thus, Congressmen, or elected officials, are able to evaluate annually what each deduction is actually worth. When Congress attempts to deal with the...what we call shelters, or loopholes in the tax system, it knows the precise cost as of the previous year, because the federal government has been preparing those reports right along. LB 17 is an attempt to put the state of Nebraska in a similar posture, so that we, the elected officials, and the public at large, will come to understand the price tag on each of our exemptions, deductions and allowances. Now, to some persons an exemption, or a deduction, or an allowance may only serve justice and equity, but to other persons those same exemptions, deductions and allowances are loopholes, gimmicks and tax dodges. For us to fully understand the impact of any exemption, allowance or deduction, or any erosion of our tax base, we need to be able to cost that out. LB 17 provides us, for the first time, a reasonable vehicle for arriving at the costs of these kinds of shelters. I think this is a very important piece of legislation for this body. I commend Senator Newell for bringing