

SPEAKER MARVEL: The Chair recognizes Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, we could speak here for hours and we could speak here for days but we will never change the political philosophy of myself or Senator Newell or Senator Dworak or any of the other strong opponents or proponents of the philosophy as to whether or not the tax on personal property was justified. I doubt very much if any issue that we have discussed on this floor this session, or any previous session, is better understood or better articulated by both the opponents and proponents than the philosophy of whether or not the tax on personal property is justified. I think that we can argue until the sun goes down as to whether or not Butler County or Platte County or Douglas County, Lancaster County receives their fair share of taxes, sales and income taxes in proportion to the amount of taxes that they have collected. There isn't any way that I can prove or the opponents of my proposal can prove how many of the sale tax dollars collected in Lancaster County or Douglas County come from the residents of those counties and how many of those dollars come from outstate counties. We can use any kind of figures that we want to to justify whatever position we chose to take. Senator Dworak is concerned about the rate on the treasury. We are all concerned about that same issue. We think that under LB 882 we have limited that kind of expansion to what can normally be considered reasonable and in line with the kind of growth we expect in the economy. I happen to agree with Senator Kahle that I don't think that there should have ever been a tax on personal property. I don't think that there should have ever been a tax on business inventories. I happen to also agree with Senator Newell that I don't think that there should be a tax on the tools of the trade. Senator Goodrich proposes that same idea. I don't think that there should be a tax on the earth moving equipment which is used in the land leveling procedures that we have seen so eloquently extolled here in the area, soil conservation equipment that is used in the area of conservation work. I don't think that that should be. Those are my personal beliefs. Whether 25 other members of the body agree with me remains to be seen. This Legislature is a forum whereby we discuss the issues and try to arrive at a reasonable compromise. It has long been established that under the school aid formulas that the rural areas received fewer dollars and the urban areas received a few more. There was some reasoning behind that, and some good ones. By the same token I have always been the first to concede that under the proposal of LB 518 that the rural areas benefitted more than did the urban areas. But for anyone of