

third year now, and in some dispassionate moments I have been able to observe what I think is a genuine sense of class warfare and class consciousness in the way we tax in Nebraska, and in hearing the acrimony this morning on the floor of the Legislature I become all the more convinced that each member has a deep sense of terrible injustice that is being done in his district. Senator DeCamp uses all kinds of sexual illusions about our getting into his people's knickers, etcetera, as we attempt to take their money, and Senator Kahle talks with a great deal of passion about how once again the urban Senators have their....demonstrate their greed and the like, and there is a tremendous amount of passion on this subject, I think more passion, frankly, than enlightened people like us should demonstrate. Let me just talk about a few of the truths and let me just tell you why the urban Senators do feel as they feel on the subject. Douglas County contributes about a third of the state's sales and income tax revenue. We give about a third of it, and that is because we are a sales rich area and some of our sales come from Dodge County folk and they come from Antelope County folk, and no question at all about that, and we are an income rich area. We contribute about a third of the state's income tax base. But the one place where we are dirt poor is property. We don't have property wealth in Douglas County, but our local government has got to rely on property as its source of tax wealth, that is all it has got to look to essentially, that, plus the state aid that comes down. Now the State of Nebraska contributes \$300 million annually to all local subdivisions in the form of distributed funds. But, you know, out of the \$300 million that the State of Nebraska contributes, Douglas County only receives 22 percent of that. Whereas, it is contributing a third of the state's sales and income taxes, it is receiving back in state aid to local government 22 percent. So what that means simply is that the Douglas County folk have got to look to their poorest property tax...their poorest tax source, the property, to finance local government, and they have got to dig more deeply into their pockets to be able to finance local government, and as a result, we in Douglas County sit with the highest tax in this state on our homes. Right now our homes are being taxed at 2 1/2 percent of actual value, and that means if I have got a \$100,000 house in Douglas County, which I don't have, I have to pay a tax of \$2500 on my house. The American Commission on Intergovernmental Relations says simply that if a state permits its residential property tax to exceed 1.5 percent