

April 8, 1981

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vote of sales tax for that community and they have a millage rate for the city of about 25 mills. The people resoundingly defeated that issue of sales tax. It was a political issue in the last election of the Council and Mayor. So I want you to know, Senator Labeledz, that I happen to look at that poll with some jaundiced eye. I agreed to carry the sales tax for Omaha without duress, and contrary to what some people say it wasn't because I was afraid Omaha is going to annex Ralston, and I want the record clear. I did it because I was willing to help them resolve their financial problems for a period of time, but in good conscience I cannot support a tax which I think is a privilege we give that city forever and ever. In view of the fact that we are looking at difficult dollars here in our own budgets and trying to cut services, with the federal rescissions that are taking place, I think for us to give a tax like this forever to someone, whether it be Omaha, Lincoln or some other great city of this state, we could not qualify it nor justify it. This state may have to call upon the citizens before very long to increase our own sales tax rate with an equal amount of income and corporate tax. And you and I know that it will get hot in the kitchen. I know and I have preached this for a long time that sales tax is painless and it does reduce property tax, but some people here did not believe me and ask Senator Warner, he went through the same traumatic experiences I did. I can never forget the fact when LB 33 was defeated the people of Omaha signed petitions by the hundreds and said, we don't want any additional sales tax because that is a burden we cannot take, yet that bill was of significance to the whole state in how we financed public schools. You have to forgive me if I come back to that subdivision of government because it takes the biggest bite out of property taxes all the time yet it performs a service for boys and girls in the State of Nebraska which is truly needed. I am going to support Senator Lamb's amendment. I did it the last time we talked about sales tax. I put the sunset on it. I don't think it is unreasonable for the city officials of Omaha to come to the Revenue Committee every two years and tell us or advise us of their financial problems. That is not unreasonable. The sunset provision in this body is not unusual. We sunset commissions. We sunset agencies. We sunset many other kinds of activities. So I don't feel that we are working a hardship on Omaha by saying that you are going to have to request the sales tax again if you want it. One final concluding remark, and I know all of you are getting hungry or something, but I happened to read in the World Herald not too long ago where Senator Newell had a discussion with Mr. Richardson and others about the plight

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