

May 14, 1981

LB 3

one scrap of knowledge, not one indication that, in fact, this exemption will promote industry.

PRESIDENT: One minute, Senator.

SENATOR JOHNSON: The most you and I know, ladies and gentlemen, colleagues, fellow members, is that our state sales tax and our local sales tax base will be eroded. It will be eroded in our search for the demons that have caused us to lose Case-Cummins, our search for the demons that have caused development to slow down. Development will occur as we reward and promote existing industry as we continue to educate our labor, as we continue to look for technicological innovations. It will not occur through our continued exemption of the sales tax base. One final note, this bill will cost the state more money in the end than the Governor vetoed from the ADC budget in his veto message. Now you think about that. In a sense if we pass this piece of legislation we, in effect, are causing a revenue loss which is greater than the amount of money that the Governor was prepared to deny the lowliest and neediest of this state. I ask you to support the Beutler amendment.

PRESIDENT: The Chair recognizes Senator Cope.

SENATOR COPE: Mr. President, members, I oppose the kill motion on LB 3. Senator Newell said there would be a fiscal change of two or three million dollars. I say there will be a fiscal change but it is going to be on the plus side if this bill is passed, not this year but in the future. Stop to think. Who pays the taxes, state taxes in Nebraska? People generally in the ages of eighteen to sixty-five. Now those are people that have to have jobs or we don't get those taxes. It is a pure, simple mathematics. Where do the jobs come from? A lot of them come from industry and anything that we can do to enhance industry, I think we must do. I think for every dollar that is exempt from sales tax for machinery is going to be returned many, many fold. It just makes sense. Think it over. The more jobs, the more taxes, the more money that is sent back to local government to do the things, the more money for the elderly. They are not adding, that is generally, as much they shouldn't be to the tax base of Nebraska. They have done their share but they are receiving the good things in return. For goodness sake, let's don't kill LB 3.

PRESIDENT: Senator Beutler, I will recognize you at this time. I think you have a....