May 21, 1981

SPEAKER MARVEL: Senator Marsh.

SENATOR MARSH: Mr. Speaker and members of the Legislature. we are talking about how you will pay the tax not whether you will pay the tax and there is a big difference. Yes. we will pay the tax but what form is the best form? The constituents in the 29th Legislative District each of the three times I have run have said to me over and over again. "Property tax is not a fair basis. It does not indicate an atility to pay. Owning property does not mean that you have sufficient income to pay a continuing spiraling tax on property. Income is a fair criteria for paying tax." It would be the goal for me to encourage increases in sales and income tax at the time we are lessening the collection of taxes from property tax. The same amount of dollars are going to be spent. Education is an investment in the future of our state. It is a needed investment in the future of our state, but increasing the reliance on income or sales is a better way to collect the needed tax dollars than increases in property. Without the override on this particular motion, you in effect are saying to your constituents, "You will have an increase in your property taxes this year". With your vote to override on LB 561 for state aid to education, you are saying loud and clearly to your constituents, "I believe that property tax should not carry such a high percentage of the total tax dollar. I believe we need to move in the direction of a balance for the three major forms of taxation in our state." A vote for the override is a vote for the consumer. A vote for the override is a vote for the majority of your constituents, for a majority as proved by poll after poll, and we have the latest one right here which Senator Koch presented to us has indicated that the most objectionable form of taxation is the property tax. The one the people desire to have cut first is the property tax, and unless we override, we will do the reverse. We will increase the property tax. I urge you to support this override.

SPEAKER MARVEL: Senator Warner, then Senator Cullan.

SENATOR WARNER: Mr. President, I rise to oppose the override attempt. Last year I made a commitment, well before the session, I would support a \$40 million increase and did irregardless of the effect it might have on rates. This year my personal position was to support a total state budget that could be done within the existing tax rates. As we were doing all of the state operations within the Appropriations Committee the constant policy that prevailed was to do a budget for state operations that could be accomplished within existing tax rates, existing receipts. While I would readily acknowledge that much of what has been said in view

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