

April 5, 1982

LB 753

SENATOR CLARK: The motion lost. The next amendment.

CLERK: Mr. President, Senator Chambers would like to move to amend the bill. (Read Chambers amendment).

SENATOR CLARK: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, this amendment deals with generic, in a sense, tobacco products. It doesn't limit itself to cigarettes. It is drafted in the fashion that it is so that it will be clear no attempt is being made to repeal or alter in any way the taxes on cigarettes. Since that is done on a pack or per number of cigarette basis, it would have to require a different procedure for taxing cigars, chewing tobacco, snuff, and the other, pipe tobacco, the other family, the other members of the tobacco family. Cigars are sold individually, pipe tobacco in pouches, cans and other containers, so the only way to have a uniform tax would be to touch it at the wholesale level. Since the tax on cigarettes comes to roughly 20% of the total cost this 18% tax on the other products can not be said to be unfair from the standpoint of the amount of the total being taxed. Whatever the rationale is for taxing cigarettes that same rationale will apply to the other smoking, chewing, dipping, and other types of tobacco products. So the amendment is being offered in all seriousness. I have had the issue raised to me by other people. As a non-smoker I'm not aware of how much tax there is on any of these products until we come to a discussion of the cigarette tax such as we are doing today. I was not aware that these products that I am mentioning in this amendment are not currently taxed. If they are taxed I would stand to be corrected and would withdraw the amendment. But, if the information that I have is correct in that they are not taxed, I think consideration should be given to this. When you deal with alcoholic beverages, whether they are described as liquor, spirits, wine, beer's or whatever, there are varying amounts of taxes on all of these. So we are dealing with a family of products, one of which has been taxed, some people feel excessively. The decision of a policy nature is already been made by the legislature down through the years that cigarettes will be taxed. I'm now trying to cover the waterfront, so I hope you will consider this amendment and adopt it.

SENATOR CLARK: Is there any discussion on the Chambers amendment? If not all those in favor vote aye, opposed vote nay.