

April 7, 1982

LB 757

saying that in election year we think we ought to raise the sales tax. Now that really bothers me. I want to say that I have tried not to be very partisan this year, but, you know, if the Governor was a Democrat, I wonder if the same sort of philosophical orientation in fessin' up that we had this year would exist. I think the answer is clearly no, it would not. There is one other thing that greatly distresses me, I mean very greatly distresses me, and that is earlier this year I was asked by Senator Warner, a man who I respect for his great integrity and his knowledge, his understanding of the budget process. I think he has done an excellent job. He knows things that I could never understand maybe about that budget but always wanted to have an opportunity to. Senator Warner has said earlier in this year he has asked me and others to raise the income tax and I said, yes, that is the responsible thing to do, and philosophically that is the right thing to do. We should set those sales and income tax rates.

PRESIDENT: One minute, Senator Newell.

SENATOR NEWELL: But today we are no longer asked to set the income tax rate, only asked to set the sales tax rate. Now I think we ought to be consistent. Let's set this precedent that what we do is philosophically correct. If we are going to set the sales tax rate, let's set the income tax rate too, and let's look at it as our responsibility coupled with the budget. That is the philosophical thing to do, not the political thing to do which is what I suggest is what is being done here today. It is a political solution we are asked to set. It is a political solution that we are asked to condone. Now, frankly, I can do it if we fess up and take that responsibility over to set all the rates, etcetera. But I cannot abide by what is being proposed today. I would urge this body to reject the political solution of raising the sales tax a half percent.

PRESIDENT: The Chair recognizes Senator Labedz.

SENATOR LABEDZ: Thank you, Mr. President. Members of the Legislature, I, too, rise in opposition of Senator Warner's amendment to LB 757. We have a very difficult job, I believe the members of the Unicameral. We have to make decisions on the budget. We have to either cut in certain places or increase the budget in some instances, but we take that job very seriously and we do what we think has to be done. I think the responsibility of setting the sales and income tax rates, until we get as Senator Newell mentioned a bill passed where we take over that duty, should not be taken away from the Board of Equalization in the future, I hope, and I have always voted for that that we do