

April 7, 1982

LB 757

SENATOR NEWELL: Roll call.

PRESIDENT: Roll call vote has been requested. Everybody is here that can be here or that is not excused. So go ahead with the roll call vote, Mr. Clerk.

CLERK: (Read the roll call vote as found on page 1766 of the Legislative Journal.) 19 ayes, 22 nays, Mr. President.

PRESIDENT: The motion fails. The next....yes, Senator Haberman. The Call is raised. The next motion on the desk, Mr. Clerk. Read the motion.

CLERK: Mr. President, Senator Chambers would move to return LB 757 to Select File for a specific amendment. (Read the Chambers' amendment as found on page 1766 of the Legislative Journal.)

PRESIDENT: The Chair recognizes Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman, members of the Legislature and Senator Warner especially and Senator Kahle and some of the others, since LB 757 has been amended to add an additional half percent of sales tax by the state, my amendment would take one-half percent off the sales tax currently levied by cities of the metropolitan class. This would let the state get its half percent but it would not require the citizens of metropolitan class cities, mainly Omaha, to have to absorb an additional half percent sales tax. You know that with the extra cent and a half tax that Omahans pay now there is nothing in the rebate or credit that takes that into account. What I would hope that you would do is adopt this amendment. Most of the Omaha area senators did not vote to readvance LB 757. What I think the rest of the senators ought to look at is the fact that the sales tax and the income tax are the primary generators of revenue for the state. This offers the opportunity for the Legislature to say two things, that the state is going to use the sales tax to raise revenue but also it is going to protect that base and the citizens by not allowing a continuation of the heaping of one tax upon another tax. If you read the newspapers at all during the past recent months, you saw that Omaha had about a \$3 million surplus in its treasury. They say this came partly because there was more interest return on their money than they expected, but regardless of where the money came from it doesn't say when it goes into the treasury where it came from. All it says is that it represents a surplus for the City of Omaha. If you are going to impose an extra half cent tax as