

those which will receive the favored treatment and there is nothing here that ties any amount of money to Douglas County, Dodge County or Butler County. It is an arbitrary decision of this Legislature...

SENATOR CLARK: Your time is up.

SENATOR SCHMIT: ...and it may very well in the future exempt your county and leave you without the kind of base which you need.

SENATOR CLARK: Senator Sieck.

SENATOR SIECK: Mr. President and members of the body, I'm going to support Senator DeCamp's amendment. I have some fear about it but I feel that this is the best solution and I did support him in years past in this particular avenue. I felt that was the most fairest. I stand opposed to 816 as it is written. I feel that it is using completely population as a basis for the formula and it is quite altogether against what was originally proposed. The tax replacement of personal property tax was supposed to be based on personal property tax lost and that is what it was said back in 1967 but we're steering clear away it. As you will note in the information that we received those who were paying a good share of the personal property tax will now be taking a loss. All the large population centers will gain if you will look at the history of what sales tax is paying. You will find that the rural areas are paying a tremendous share of a property sales tax. An average farm pays from a five hundred to a thousand dollars in sales tax every year in repairs and equipment. That is a lot of money. That is almost more than we paid in personal property tax where in the cities you will find that this is considerably lower. I was recently told by a colleague that food tax is actually a loss to the state. This is hard for me to believe but if this is the case, then who is paying the sales tax? It is rural Nebraska. We are going to be shocked out in rural Nebraska by 816. Many of our people don't know what is happening. To contest the present formula and if it doesn't work, then we will go to population basis and I feel we should let the courts do it. The courts have done this many times in other legislation that has been passed and we need to do this. I feel that the cost of government should be paid where it is accumulated. In other words, those who ask services from the government should be paying a lot of that cost. I feel that if we collect taxes at the local level at a much greater proportion than we do presently, we could completely do away with this funding and keep it for the state government. Maybe that is what we should do. We should just do away with this bill altogether and put it into