

to have your school identification name on it. Right now, of course, it is on your form. Some people fill it out, some people don't, but there is really nothing in statute that mandates the Department of Revenue make sure that that information is filled out. This amendment, as it is already contained in the committee amendments, that form, income tax form, will be incomplete unless it has the correct school district identification number right. This is done so we get more accurate data as we move towards some...the implementation of a local income tax here in Nebraska. Now the third thing the amendment does is that basically the intent language found in 601 and 2, we all know intent language found in bills is probably worth about the. worth about the same amount of money the paper it is written on. Quite simply what it is, if you read that, it contains language that the Legislature realizes, in order to deal with the property taxes, we have to deal with school finances. To address the issue of school finances, the Legislature intends to replace the present school financing system with a system which shares the income tax base with local school districts. And, finally, and this important, in that subsection (2), the Legislature intends to assure property tax relief and tax equity by establishing limits on school district budget growth which limits are sensitive to local needs and spending levels. If you recognize that language, the majority of that language is lifted directly from the interim report of the School Finance Committee prepared by Senator Withem as Chair. Now what does this, LB 611, do as amended? Well, it is going to send us down the path, quite simply, this Legislature is going to do something to restructure the property taxes within the State of Nebraska. You know we spent \$350,000 in the Syracuse Study. Everybody under...not everybody, not quite everybody, the vast majority of Nebraskans say property taxes are too high. A lot of people wish that property taxes would go down without some corresponding increase in other taxes. I think we all know that can't be. The fact of the matter is the property taxes, depending on who you listen to, are anywhere from a third in some studies, eighth in others, and tenth in others, a very high property taxes, and in comparison, somewhat low sales and income tax. The fact of the matter is if we are ever going to lower those property taxes, we have to have some sort of tax shift to some other source of revenue on the state level. Actually, this bill as it legislates the process, that increase on the other level could either come from income or sales, whichever this body decides to do. You could simply increase the local income tax over and above the present state