

hunt and seek and search to try to find some system of valuation based upon market. And I think this is one which we ought to look at. And although I'm not going to oppose the committee amendments, I call it to your attention that I would not be adverse if someone wanted to reconsider this later on, although it will not happen this year. LB 744 is a bill which you probably will say we do not need that now, but it actually increases the sales tax by 2 percent, the reason for that being to create the kind of fund necessary to provide significant property tax relief. We consistently talk about property tax relief. LB 84 provides approximately 94 million, but not on a continuing basis, and we understand that if we are going to have any kind of stability in the tax structure that we have to provide for a continuing source of income. We do not know yet, although there is differing points of view, as to whether the surplus revenue today is the result of adjustment in the tax rates or if it is because of the economy. There is a difference of opinion, honest differences in that area, but I address this problem because I wanted to once and for all place a substantial amount of revenue, sales tax revenue in the budget so that we could properly...

SPEAKER BARRETT: One minute.

SENATOR SCHMIT: ...address the matter of property tax relief on a consistent basis. LB 629, as I introduced it, which is also a part of this bill, would have exempted from taxation the non-Nebraska municipal bonds which were purchased before January 1, 1987. So oftentimes we on this floor enact into law bills which are of a nature that they cause problems for those individuals who took an action based upon the current status of the law. Many people bought non-Nebraska municipal bonds based upon their nontax...nontaxable status, only to find that in 1973 we changed that, and those bonds then became taxable. I don't think that is fair. We were trying to...I hope we wanted to be equitable. I believe very sincerely that we should address that issue, and that is one issue which I think needs to be addressed, and oftentimes these municipal...

SPEAKER BARRETT: Time.

SENATOR SCHMIT: ...bonds are the nest egg which elderly people rely upon. All of a sudden they have found their income sharply curtailed as a result of the 1987 action, I think that was wrong. I believe we ought to address that. But at this point I