

school are rural and 296 are urban. I think that tells you a little bit of the reason why I have a concern. The number of children from the rural areas are very minimal, but the basic support for the school system is rural. A far greater percentage of the taxes are derived from the rural area than from the urban. I want to say this. Automobiles don't pay taxes. Cattle don't pay taxes. Farms don't pay taxes. Washing machines don't pay taxes. People pay taxes. People pay taxes. Farmers, businessmen, professional persons, laboring people all pay taxes. There is so much material here that has been provided to us that I have not had a chance to digest most of it, but I want to call your attention to that which Senator Lamb has called to my attention to earlier on. On page 3 of the material we have here, rather voluminous material, it says further analysis is required and currently being performed to measure the effects of LB 361. I would suggest, of course, that the passage of this bill at this time without taking into consequence, into consideration the consequences of the impact of LB 361 is premature. Reference was made to the no-win situation in which we find ourselves because of the passage of Senator Moore's bill last session. Well, I remind you, I did not vote for that bill either. I want to call your attention now to one of the fallacies, and I am going to have to ask some questions here, of the various material you have seen. A special focus issue of the World-Herald on LB 1059, it talks about an average. It mentions a farmer living in the Osceola, Nebraska, school district, 400 acres of land assessed at \$750 per acre, having an adjusted gross income of \$30,000, and owning vehicles assessed for \$200,000 would realize a total tax reduction of \$505. I don't know who wants to volunteer to answer these questions. Senator Moore, do you want to answer? We just as well share this microphone...share it with me, fine.

SPEAKER BARRETT: One minute, Senator Schmit.

SENATOR SCHMIT: Would you tell me, Senator Moore, the \$30,000 of adjusted gross income, does that refer to net, or gross, or what does it refer to?

SENATOR MOORE: Adjusted gross income.

SENATOR SCHMIT: Gross income, so a \$300,000 farm has produced a gross income of \$30,000, \$7.50 per acre. He owns \$200,000 of motor vehicles. I would suggest the \$200,000 worth of vehicles on a \$300,000 farm for a man who has a gross income of \$30,000