

Okay. Okay, I have a letter here from Governor Orr and she spells out one of the flaws about 1059, and that's true. And she says that's true that almost 17 million sales tax increase required by LB 1059 will go into the Highway Trust Fund for road construction and maintenance rather than for education. But you can't educate these kids unless you get them there. You can't educate these kids until you get them in school. So that's why we need better roads and this 1 percent sales tax will go in to building better roads because our buses travel on them, our vehicles travel on them, our vans travel on them, our station wagons travel on them, and so that's why we need to keep this 1 percent sales tax on it. And, Senator Haberman, I didn't say that the farmers were happy with this or I didn't say that these people would be happy having 1 percent sales tax increase. I know people don't like to pay additional taxes but how are we going to relieve property taxes if we don't increase sales tax and income tax a little bit? So I would just suggest to you that you defeat the Smith amendment and go on from here. If I have some time left, Senator Arlene Nelson would like to use the rest of it.

PRESIDENT: Okay, Senator Nelson, you have three minutes.

SENATOR NELSON: It won't take that long. I'm sure that my business people and farmers are no more willing to pay any more tax than they absolutely have to. Another point that when we're getting down to the more technical points on this, as you know, most of the figures given out by the Revenue Department and our own Fiscal Office, and so on, do not take into consideration the additional tax that farmers and business would pay on the purchase of new equipment. But when we get down to actually the basic bottom line now when we're talking, you know that the sales tax of business or farm equipment comes off as a farm or a business expense when you buy that automobile or that truck or that funeral limousine. All right, and today the self-employed pays 15 percent Social Security, say 28 percent federal, and 3 percent state, we're almost up to 50 cents on the dollar. So then let's reverse that, that 1 cent, and I'm not saying whether it's justified or not but it's a point, that 1 cent then becomes a half a cent sales tax that otherwise the federal government and the Social Security fund would be the recipient of. So I want you to understand we have that same thing on LB 84. One-third of that money went to the federal government, it did not go back to the taxpayer and that same formula works out here, a percentage for social security and a percentage for tax.