

passed LB 84 with a \$98 million property tax package, generally, a property tax package that included \$35 million or more to the corporations of this state, as well as to the farmers and to the landowners. In other words, we created a good deal of relaxation of the pressure on local political subdivisions, at the same time, we turned to them and expected them to pick up this \$12 million loss in their tax base. Our 98 million of dollars actually could be no more than \$86 million of property tax relief because, of course, there was this \$12 million hole. Well, now we come to January 1. We are coming into a new session. I don't think any of us here would acknowledge that we have another \$100 million to pass out, nor do we have \$100 million a year to pass out each and every year to reconstitute the kind of property tax relief that we have done last year to in part mitigate this problem. In fact, the hole that we have had each of the last two years this coming year faces no state relief, no state assistance to pick up that \$12 million hole in the local political subdivisions' tax base. Now, what are we going to do about it? Well, it is likely that we will do nothing. It is likely that we may say, you know, since in the last two years the shift has been done, I guess we could just leave things the way they are, and we can put this \$12 million, which heretofore have not been picked up by local property taxpayers, or at least had some offset, firmly and fully on the back of local political subdivisions. In other words, the passage of LB 7, while not creating the hole, builds a fence around the \$12 million hole and says it is all right, as a matter of fact, it is law that we not collect this money, we don't intend to, we will exempt it, and as a matter of fact, it will be our practice not to collect that \$12 million. Now that is simply a recognition of reality but, nonetheless, LB 7 makes permanent, legitimate, and legal that \$12 million hole of local political subdivisions' property tax loss base. We have two choices. At least this amendment offers us two choices. I don't think we have got that largess coming up in the coming session and we certainly don't have it in our discussions in this special session. So I am going to suggest to you that we have got two choices. We have a \$12 million hole that will either be paid for by the property tax, or another tax base. And what this amendment seeks to offer the Legislature is a tax base less onerous than the one you hear about every day from your constituents, the one they complain the most deeply about, the one that seems to be structured in an assessment situation, a valuation situation, that is not necessarily tied to an ability to pay. It is not an income tax. It is not because