

implementing a new tax, when we know it is only going to be for twelve months. I say we do this, we pass the constitutional amendment. Then we look at all the things, like tax on services, occupation tax, the overall tax policy of the 3-R Committee. For the time being, simplicity may actually be the proper course. With that, I would ask for the adoption of the amendment.

PRESIDENT MOUL: Thank you, Senator Moore. Before we proceed with debate, I would like to direct the attention...the senators' attention to the south balcony. Guests today of Senator Horgan are 50 fourth graders from Crestridge School in Omaha. Would you please rise and be recognized. Welcome to the Chamber this afternoon. Thank you. The speaking order now is Senator Hall, Crosby, Abboud, Will, Schellpeper, Lamb, and Withem. Senator Hall.

SENATOR HALL: Thank you, Madam President and members. Again, I rise in opposition to Senator Moore's amendment, although I do appreciate the fact that it is before us. It does deal with an existing tax base. It does deal with the problem that we have all been trying to solve here with the personal property tax, but I would argue that it deals with it in a...one of the...probably the most difficult ways that the Legislature would have to deal with picking up the 93 to 95 million dollar price tag that we have with personal property taxes. The, frankly, the income tax increase that is in the proposal needs to be debated, and I don't have any problem with that, but we are not going to raise income taxes here. We are having a difficult enough time trying to find options for this, although it is an easy option in that it is clean. You change a few numbers. You go away, and in the last half of the year, the money will be raised through increased withholding from personal income tax. It doesn't end there because, frankly, the people who you will be hitting the hardest are those individuals who have really nothing to do with personal property, except they happen to work for somebody who owns it, and was paying tax on it prior to the court decision. The issue now is how do we fund that? I argue that we fund it differently than this. The income tax, especially for the lower bracket that Senator Moore would change, I think would be a very heavy burden for them to have to pay. I appreciate the increase at the top end because there is a little bit of progressivity then built into the system that, in my opinion, isn't progressive enough. But right now the votes aren't here to increase income tax, I don't think