

service for? I want to broaden the base so I can reduce the rate. I want to be able to expand our sales tax base so I can ultimately produce a lower sales tax rate, thereby putting Nebraska businesses in a more competitive situation, allowing the tax at our borders to not be a disincentive to Nebraska businesses. I want to be able to give people back something for being able to expand their tax base and that, to me, the better course of action is expanding with a broader set of services and dropping the rate. In the event that you happen to be an opponent of the sales tax on service, well, then you remember that this does affect businesses who now do not pay the tax and it will affect their demand. It will affect their demand because it will raise their prices. If it raises their prices, it forces consumers to rethink their economic choices. Some of those choices may be to go out of the state to do it yourself, to go without, to move those processes in-house, if you're a company, buy them and run them internally rather than to purchase them in the marketplace. This is also true in the telephone business which, by the way, has been a big winner for the State of Nebraska. It doesn't make a difference if you're a Hatfield or a McCoy, the use of the sales tax on services for these purposes, in this set, with this list of services being applied to this end probably doesn't do much for either one of us. If you don't like a sales tax on service, there is not much reason to vote for this. And if you happen to be like me, who happens to believe in this idea, I don't want to spend for these kinds of purposes, breach this kind of a wall and wind up using it simply as a tax replacement for taxes that probably appropriately should fall elsewhere. I oppose the use of the sales tax on services in this manner and I would yield the remainder of my time to Senator Withem.

PRESIDENT MOUL: Senator Withem.

SENATOR WITHEM: How much time is left?

PRESIDENT MOUL: Five minutes.

SENATOR WITHEM: Okay. Well, thank you, Senator Landis. Senator Landis and I cosponsored this measure. Unlike Senator Landis, who is a traditional proponent of sales tax on services, I have been an opponent of a sales tax on services, reaching that position only once since I've been down here and that was last session when it appeared to be a better alternative than the one it was replacing on LB 829 when it stayed there for, I