

February 24, 1992 LB 1120

But, like some of the previous speakers said, it's hard for people to understand what's going on down here. Remember last year when we passed a bill that would take all personal property off the tax rolls and replaced it with a combination of taxes. I remember one of those was tax on energy. Another one was a surtax on depreciation. And there was another part of that that would increase corporation fees. And one lady told me the other day that in her catering business that the previous year she paid ten or twelve dollars or maybe even thirteen dollars, and now this year she has to pay 150 bucks. And so I was just kind of figuring that in my head and I believe that's over a 1300 percent increase in one year. And I realize they won't have to pay it again next year but even at that. So the people are a little disgusted on what we're doing down here. But...but anyway, I just feel that going with a sales tax or if this doesn't fly, well, then maybe go with a sales and income tax proposal to solve this problem. But getting back to what I said on another one, we said that...or like last year we had a surtax on depreciation. One...one farmer told me that he just finished working his federal tax and state income tax forms over. He hasn't sent them in yet, but anyway he lost money, so he wouldn't have to pay any federal income tax but still he has to come up with a 2 percent depreciation surcharge on his state income tax. So I ask this body, is that fair? I don't think it is. And so...so we need to change some of those things. But getting back to Senator Johnson's proposal, I would encourage you to support just a flat 1 percent sales tax to pick up the \$100 million plus to distribute back to local government. And I hope you can see your way fit to do this. Thank you.

PRESIDENT MOUL: Thank you, Senator Hefner. Senator Morrissey.

SENATOR MORRISSEY: Thank you, Madam President, and members, again, I see us going to the rural versus urban argument and it really bothers me because I think we need to focus on crafting a system for the state. And, obviously, I'm convinced that the income and sales is a system that is best for the entire state. If you make it, you pay it. I think we need to...we should be looking at expanding the tax base versus narrowing the tax base. And I think expanding the tax base is the way to go. I think those opposed to LB 1120 and the concepts that the supporters of that are trying to push are ignoring an expanding tax base. They're ignoring the tax base of the future. We can continue to rely on what I see as an outdated system taxing people for personal property, property they use to make their living, or we