

February 24, 1992 LB 1120

if you're going to tax one farmer's tractor, you've got to tax them all. And so what will happen? All the farm machinery will go back on the tax rolls and all the livestock will go back on the tax rolls and we're going to be standing out there all by ourselves, very small portion of the population...

SPEAKER BAACK: Time.

SENATOR SCHMIT: ...carrying again an unfair burden. It's totally inconsistent with equity.

SPEAKER BAACK: Thank you, Senator Schmit. Senator Will, you're next.

SENATOR WILL: Thank you, Mr. Speaker, and members of the body, I rise in opposition to the Rod Johnson amendment. Ladies and gentlemen, think what you're doing if you vote for this amendment. You're saying one thing and that is that you're granting an additional exemption for business and you're shifting that tax to individual taxpayers. That's all you're doing if you adopt a general sales tax increase. What 1120 proposes has been framed correctly to the extent that this would be the option where you repeal personal property tax, the alternative which right now is the 3-R plan held in Revenue Committee would put a limited tax on personal property. To that extent, the characterizations made have been correct. However, the fact is that if you use a general sales tax increase, as I stated previously, if you use a general sales tax increase, to fund the repeal of a business tax, all you're doing is shifting the tax once again to individual taxpayers, the thing that we've done historically, the thing that has gotten us in the trouble that we're in now, the thing that has been declared unconstitutional by the Supreme Court of Nebraska. Now I've been opposing LB 1120 because I think the correct course to take is to continue to tax those business entities that have been partially exempted previously, to continue to have some form of tax on personal property. But, even as I opposed LB 1120, I think that at least in its original form Senator Hall made a good faith effort to focus the replacement revenue on the entities that are benefiting from the repeal of the personal property tax. I view the Rod Johnson amendment as extremely onerous, as a tax shift to individuals and something that in no way, shape or form I could support. With that, I would give my remaining time to Senator Hall.