

followed Senator Schellpeper, Schmit, Bohlke, Warner, and Roback. Senator Hefner.

SENATOR HEFNER: Madam President and members of the Legislature, I rise to support the Moore amendment. I also support LB 1120 versus the other bill, the 3-R Committee's proposal. Like I told you the other day, railroads will never pay property taxes in Nebraska. Railroads will never pay personal property taxes in Nebraska because they have got the federal law protecting them from doing this. Also, how come household goods isn't put back on? Household goods is personal property. So we have our problems when we put personal property back on the tax rolls. If we are going to put anything on, let's put it all back on. How about inventory? Inventory has been mentioned here, and I don't want to see inventory go back on. It would be devastating to Nebraska, but so is LB 1063. LB 1063 is devastating to rural Nebraska and is devastating to agriculture, and I know I keep repeating that, but it is. LB 1063 would be as devastating to agriculture as putting inventory back on the tax rolls for the different businesses and industries in Nebraska. But I say, let's go with the Moore amendment and then let's go with LB 1120. This would be the fairest tax. I supported Senator Rod Johnson's sales tax proposal because I felt that that would be a fair way, but Senator Moore's proposal would be a fairer way because I think we need the combination of a sales and income tax. Like I said, I live near the South Dakota border. They just have sales tax. They have no individual or corporate income tax, but I think that is regressive. I think we need a little state income tax, both by individuals and corporations, so that we can make it a little more progressive tax system. And so I would just urge you this morning here at 11:23 a.m. to support the Moore proposal, and then go ahead and advance LB 1120 to a second stage of debate. Thank you.

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

SENATOR SCHELLPEPER: Thank you, Madam President and members. I think I am going to support the Moore amendment. I do have a problem raising the income tax for the low income taxpayers. I think the half-cents sales tax is a much better way to go. When you look at Omaha and Lincoln, each one, they have 6 1/2 now. That would put them to seven. That is acceptable. But 7 1/2 may not be acceptable, but I think the half cent is a good solution. But I do have a problem with that low income. I