

February 25, 1992 LB 1063, 1120

revenue. It basically is what 1120 did as it was introduced. That is what the original committee amendments did. Committee amendments no longer do that. The second approach is the repeal of all personal property and use general tax revenue, sales and income tax to replace that. That is now what the committee amendments do. Third approach would be to continue to tax personal property. That is what LB 1063, and we will have ample opportunity to discuss how and why and where that happens, when and if LB 1063 reaches the floor. The fourth alternative is to pass nothing and to allow the current law, which is MAPCO, to continue to take effect. Of those four alternatives, the one that is now contained in the committee amendments to me, personally, is the least attractive, the one of taking a tax that has been paid by business over the years and shifting that over to the general population through a sales and income tax method. LB 1120 as originally introduced is a bill I don't support and cannot support, but it is preferable to me to have the some new taxes take its place than have general sales and income tax come in to take its place. So that explains to the body why I am not going to be voting for the committee amendments. I think this is one of those votes, we have had a number of votes like that. This is one of those votes that is going to be a very critical issue, in my mind, and maybe to others of you, you don't like 1120, you don't like the replacement revenues. If you are going to have something, you'd rather have sales and income, maybe you are going to support the committee amendments, I don't know. But to me, this is a real, one of those divergent points in our decision-making tree where we are going to be making a key decision as to whether or not we think it is fair, as a body, to shift this tax that was owed previously by businesses, whether those be agriculture businesses, centrally assessed businesses, or main street businesses, we are going to repeal that and shift it over to every individual in the state when they go to buy an item or when they file their income tax. I think that is the least fair approach of anything that is brought forward, and I will not be supporting the committee amendments.

SPEAKER BAACK: Thank you, Senator Withem. Senator Warner.

SENATOR WARNER: Mr. President, members of the Legislature, I tend to agree with what Senator Withem just said. I think it is likely that the depreciation add-on, which bothers me a lot conceptually, but I also believe that it's a new kind of tax, and I also suspect we'd throw out what might happen from time to