

February 27, 1992 LB 1063, 1120

amendment, this portion of it, is a significant policy consideration. You may, if you don't like the sales tax collection fee proposition, that one hasn't been kicked around...

SPEAKER BAACK: Time.

SENATOR WITHEM: ...to a great extent, but it doesn't make a lot of difference whether the Schellpeper amendment is adopted or not.

SPEAKER BAACK: Senator Elmer, you're next. Senator Elmer.

SENATOR ELMER: There we go. Thank you, Mr. Speaker and members, you know, the point has been made here by both Senator Withem and Senator Hall that adopting Senator Ashford's amendment and these posturings we're doing now makes two very similar bills on the floor at the same time, LB 1120 and LB 1063, with minor differences in what is exempted and what is taxed. Somewhere along the line we have to make the definite policy, are we going to tax personal property directly or indirectly through the depreciation add back or are we going to go the other way? And if we're going to really make that policy decision, we need to have both types of bills on the floor in that form. A lot has been said this morning about services and how they are taxed and how they are not taxed, both in this state and others. And it is recognized that our nation and state are mercantile and a service oriented nation and state, and that there is a tax base out there that is identifiable in the business activity. Somewhere along the debate in 1120 I have prepared a concept for you to look at and the first of the week I will be circulating all of the information about that that you should have on your desks by the middle of the day Tuesday. For you to think about, we may be at the point where we can strike some new ground and solve some tax problems. I think our constituents would help us if they know their property tax is going to be 50 percent less, 50 percent less, and that is what this concept could do. And I'd like to see 1120 remain in the kind of a form that does differentiate between the two bills. One taxes personal property and the other one does not. If we fail completely on 1120 and the new concepts, then is the time for us to get together and make the changes in 1063 to make it palatable for everyone. We recognize that we have to do a constitutional amendment with 1063. I don't believe we have to if we pass a bill that does not tax personal property, and we