

PRESIDENT MOUL: Thank you, Senator Elmer. Does anyone else wish to address this amendment? Seeing none, do you have closing, Senator Schmit?

SENATOR SCHMIT: Yes, Madam Chairman, I'd like to close. I'd just like to suggest this, obviously, no one is interested. Everyone says, well, it isn't going to work, Schmit is not serious. I'll tell you what I am serious about, ladies and gentlemen, I'm serious about stopping LB 1063. Now, if anyone has any doubt, I want to tell you I may run out of voice, may run out of wind, I won't run out of arguments against the bill. The bill is bad tax policy. The bill should not be here today. The bill is here because a very small group of people have decided that's what we're going to have for tax policy in the State of Nebraska. Members of the 3-R Committee told me time, after time, after time that, as they went on the road with those hearings, they were told repeatedly by the witnesses before the committee, do these things, first cut down spending, you're all spending too much money; second, keep the tax off personal property, repeal the personal property tax; third, if you need replacement money, look to sales and income taxes. The people are not as innovative in the country as we are. It comes back to my old argument which we have heard in the past from previous Governors who always emphasized that it was important that the source of revenue be kept visible, because when the source of revenue is visible the public will become incensed if those rates become excessive. We started out, I believe, with a 2 percent sales tax, a very low rate of income tax. Today we have escalated considerably above that. We have given the cities the right to levy an income tax, a sales tax. But the facts are that, as of today, we are relying more and more upon various types of chicanery to raise money, and I use the word knowingly. I consider it nothing less than subterfuge to try to raise the money to replace lost personal property tax revenue from some of the sources that had been suggested. We're going to have...we're going to exempt, believe it or not, 80 percent of the tax on farm machinery, but we have to apply for a refund. Why not do it straight up? Why not just take it off, because we know there will be some people who will not apply until we get it back. We know there will be some lag involved, where the state will have use of the money, and yet that will be a benefit to the state and a cost to the taxpayer, a hidden cost to the taxpayer. Ladies and gentlemen, the hidden taxes are the worst, the most odious, the most regressive, the most undesirable type of taxes. I know there are those who say, well, what you don't