

educated and very well read and has tried very diligently to keep track of what we are doing, but he is totally confused as to what his responsibilities are. I visited with a dairyman last week who has a large dairy herd and they are very confused and they are not even certain how they are going to operate. They have been meeting with their accountant regularly and, very frankly, the avoidance of taxes is not a...is not a crime, evasion is. But the manner in which we have drafted the bills make it very, very imperative that the individual sit down with his or her accountant and decide how they are going to handle these various items of personal property so as to pay the least amount of taxes. That's what we found with the occupation tax on corporations. I think it ought to be accepted by us that it is not easy to pay taxes in Nebraska, be they income tax, sales tax, personal property tax, any other kind of tax. Sometimes we give the impression, we give the impression with the 14 percent interest we charge on past due taxes that the taxpayer does not pay the tax because he or she is trying to let the county or the subdivision subsidize the taxpayer. That's not true. That is, in itself, a substantial penalty. We raised that rate when interest rates and banks were standard in the 14 to 16 percent category. In all honesty, we ought to be lowering that rate at the present time, but that interest rate is a penalty in and of itself. What I'm trying to do is to avoid that more onerous penalty which we know does exist under the present statute. I hope that you will support the amendment and that I hope also that it's not going to be very necessary, but in the event it is necessary, I hope that the county boards can say, well, for this period of time the Legislature, in its concern for the citizen because of the confusion that has existed, has said we will not invoke that more serious penalty. I would hope that you would adopt the amendment.

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

SENATOR WARNER: Mr. President and members of the Legislature, again, just to provide more information on the...on the total issue, as I understand it. It's been indicated and it's accurate that for late filing of...payment of taxes, correction, there is under statute the requirement of 14 percent interest. No matter what happens, that would be there. In the case of the penalty that is being discussed here, there are two different ways that it happens. If an assessor goes out and finds that you failed to make the required reports, then the penalty is 50 percent, which can be waived by the county board. If you