

November 7, 1992 LB 1

PRESIDENT MOUL: Thank you, Senator Warner. Senator Schmit.

SENATOR SCHMIT: Madam Chairman and members, I'm going to support the amendment because I hope that perhaps out of the entire issue something can be done to address the taxes, the interest rate on delinquent taxes. I have a sneaking suspicion that we're going to find a tremendous amount of delinquent taxes owed one of these days and I believe the 14 percent rate now charged is not fair because it adds another penalty to people who are already in difficulty. I would just like to make a comment here at the time also that I do not support LB 1 in the general concept. I did not support the concept when it was introduced in 1991 and I do not support the principle that you fill the gap without raising taxes. I have said prior to the election it would have been much more desirable to have had this session of the Legislature prior to the election. Had we been forced to raise taxes prior to election, we might have had a totally different bill than we do after election. Now it's a totally safe position to be in and we can, to a certain extent, raise taxes with impunity. I just want to say that I recognize the problems that will be here come January and those problems will be much more severe than what we project them to be now. It is difficult, at the very best, to project exactly what the shortfall will be but I believe the shortfall will be worse than what we are projecting, based upon several reasons. First of all, I believe the income will be down. I believe that the losses due to exemptions will be up. And I believe that the sales tax collections will be down. But I want to say that, as of now, I'm curious, Senator Hall, did you have...did you have anyone that opposed the bill yesterday other than myself?

SENATOR HALL: Sure, Senator Schmit, and again I apologize for the delay in handing this material out but there were a number of individuals that opposed the bill and you've got to...I know it's on the desk somewhere, oppose in particular both the definitional change that I spoke of that we took out in the committee amendments as related to location, and also the issue of the surcharge as it pertained to real estate. Other than that though, there was really...you were the only individual who addressed the bill as a whole and dealt with the issue of the entire surcharge. There was another individual who represented the alfalfa dehydrators who also spoke to the energy issue. But the opposition was targeted to specific components of the legislation. There was not an overall opposi...opponent other than yourself.