

yesterday and I was at the site in Omaha, as was Senator Avery and I believe Senator Will, after I had already left, and listened to the folks that were testifying from across the state at the various locations about property tax issues. And the concern that was raised was, okay look, we've got to get property taxes down. I believe it was the right thing to do to have that resolution introduced. And you look at the number of issues that were raised by the Revenue Committee with regard to potential ways to help alleviate the burden that currently exists with regard to property taxes. It doesn't include, the last time I checked, reducing the sales tax base. It does not include providing for more exemptions in the sales tax base, and that's what LB 106 does. It says, let's carve out another hole in this block of Swiss cheese and let's make it not piecemeal, let's just make it whole cloth and say that we are going to provide for another very small group of individuals, if you look at the handout that Senator Wesely provided and you look at basically the five bills that are listed there and the small group of individuals that benefit from those measures, and you look at LB 106, we're just compounding the problem. We're taking it and, you know, "timesing" it to the tenth degree for purposes of saying, here's what we want to...we think this is good tax policy today, but oh, by the way, when it comes to property taxes we're going to come to the state and say we want to make sure that they provide relief somehow. Well, how do you do that? How do you go about, I guess, squaring those two ends?

SENATOR CROSBY: One minute.

SENATOR HALL: On one hand saying, this measure deserves a sales tax exemption because it is input based, somehow, for purposes of the end product. Well there are any number of things out there that could be...that could possibly meet that definition, but don't because Department of Revenue says, no, they don't. If you want to deal with that, take it to the Legislature and get them to make the determination, because our interpretation is they don't meet that criteria. And that's what they've said specifically on this issue. But we're going to say a dog is a cat, or an emu and an ostrich are more, I guess, more like a cow than the giraffe that happens to be in the zoo. It is absolutely nonsensical, and the way this thing is drafted is going to lead to all kinds of problems, not only for those who don't get the exemption, but those who think they're going to get the exemption under the bill.