

woman in my district, because of the legislation that we passed last year on the homestead exemption that you have to count some income that you didn't have to count before, her taxes, now she is going to have to pay \$500 more. That means a lot to a retired person who does not...who is living on a fixed income, and that's the kind of people that call me, and that I talk to. When you look at your home or the piece of land that you own, the American dream is to own your home. My home is very important to me, and that home that we feel every year we are taxed more and more and more, that's where these feelings come from that we feel that the homeowners, and people who own land and so on, that the taxes are overdone and are a burden. Ownership of land is almost a mystic thing with many ethnic groups. Irish, for instance owning, Irish people think owning land is almost a divine privilege, if you want to put it that way. The land means something to them holy. But to go back to what we are talking about this morning, I, of course, will support LR 297, and I am going to support Senator Beutler's amendment because I think we need to talk and come up against reality when we talk about the levies, and when we talk about capping local governments, and when we talk about capping budgets and so on; the state has to do the same thing. We can't just send all this back to the subdivisions. One of the things that I tell people as we discuss homestead exemption and the other exemptions, anything that the counties or subdivisions do to relieve in that way, the state has to return that money to them. So one way or another, they pay the tax. One way or another, all of us share in the taxes. I passed out to you this morning an article that I think is very telling. It's from the Nebraska State Home Builders Association. It is from the Lincoln Business Builders newsletter. There are three paragraphs that I think are really important. The second paragraph, it quotes Senator Warner when he identified an increased real estate transfer tax along with broadening the sales tax base to include a tax on services. Kansas just went through this and it raised the price of a home by \$5,000. The second, the next paragraph, from the Nebraska Tax Research Council, October fiscal report quotes this: If property taxes were reduced by 30 percent, and remember that property tax is local, it is not a state tax, and the sales tax rate increased by one cent, individual income taxes would have to increase by 39 percent to make up for that lost revenue. The heading of this, that's what I think we have to be so careful of because this headline on this article says let's do the property tax