

Senator Beutler's amendment.

SPEAKER WITHEM: The amendment is adopted. Mr. Clerk, next amendment.

CLERK: Senator Chambers would move to amend.

SPEAKER WITHEM: Senator Chambers.

SENATOR CHAMBERS: Mr. Speaker and members of the Legislature, a copy of this amendment should be on your desks now. And what it is going to do, in a nutshell, is place a one percent tax on intangibles in excess of \$10,000. And the intangibles would really be discussed in terms of unearned income. And that is defined as the income from interest, dividends, or sales of intangible assets which are not specifically exempt from income taxation under the IRS Code and certain provisions of the Nebraska Revenue Act. So if a person happens to be of modest means and it trying to lay some money aside, if those investments, of whatever kind, produce unearned income of \$10,000 or less there would be no tax on that. Any unearned income above \$10,000 would carry a one percent tax. And that one percent tax would bring in between 35 and 40 million dollars. The one percent tax is not unreasonable. This is a form of income...of income which has not currently, which is not currently reached in Nebraska, and the fact that the amount would be in excess of \$10,000 makes it clear that it is not hitting people who would be harmed by this one percent tax. This is reasonable, it is rational, and it would provide some additional revenue to the state instead of spending it. So I hope you will look at this amendment. You will consider its scope, especially thinking about the \$10,000 exemption, and that you will support it. If people can overcome their first initial feeling of trepidation and give it some thought in terms of how the budget for the state is being dealt with, the types of expenditures that have been authorized by the appropriations bill. The fact that in my mind \$3.5 million is being wasted on these Quonset huts, this would make some money available. And maybe you wouldn't have to fear so much that red pencil that the Governor has threatened the Legislature with. But this is a serious amendment. I think it's worthy of discussion and consideration. And I think that it ought to be adopted. The 35 to 40 million dollar figure is based on an estimate that was made in 1992, I believe. So by this time, when you consider the