

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

April 24, 2003      LB 759

that makes it problematical. Let me tell you where I think Senator Brashear has identified long-standing, serious, significant problems, and for which I think this debate has moved us forward. He has reminded us that when we both reduced our income taxes and we dropped to \$1.00, we took on responsibilities that we could not meet over time. That's one thing this amendment reminds us of. And he's absolutely right, and prescient in reminding us of that. We narrowed our income tax base and we increased our state demands to go to \$1.00, and we can't do both. And this is a way of undoing part of the problem that we created for ourselves. And towards that end, this gets a gold star, in my mind's eye. There's a second aspect of this bill that I happen to like, or this provision, and that is that it creates a relatively visible form of property tax relief, namely a homestead. I think property tax owners...homeowners would recognize the homestead exemption and value it differently than the rather invisible property tax relief that they get in other parts of their taxpaying experience. So I think the visibility of the homestead exemption is relatively clear. And by the way, I think Senator Schrock has identified a relatively visible form of property tax relief. I think farmers would say, yup, that is tax relief. One of the difficulties of what we have right now is that although we have property tax relief, it's invisible. People don't notice it. They don't notice it in the context of the general inflationary rise in their taxes. Why won't I support it in this form? Because it's circular. It's not a set of new state resources designed to do what Senator Schrock wants. It's state resources created by pushing off responsibility for schools back to taxpayers. It's circular. In fact, Senator Kremer made it clear to me, what we're doing is raising property taxes so that we can give property tax relief. And therein lies the problem. If we were going to do this, we should do this with sales and income tax dollars. But, in fact, we're not. It looks like we are, but we're not. We're pushing back to the \$1.10. If we were going to go to the \$1.10, we should do it on a stand-alone basis, as Senator Hartnett suggested. Just say, we're going to do that. That would be more valuable, in my estimation.

SENATOR CUDABACK: One minute.