

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

April 29, 2003 LB 407

showed us figures about how our taxes really haven't changed that much over the years on a per capita basis. So I asked George Kilpatrick this morning where I'd find this latest information. And he said, go to the Unicam web site, and look under the Revenue Committee's report on that web site. And that's what my staff did. And I wanted to share with you this chart, which shows the major state and local taxes as a percentage of personal income, starting in 1968, of course, when we first instituted this trilogy of taxes. In fact, that's why Norbert Tiemann went out of government, was because he supported this. And if he hadn't, we'd be in a real pickle today. We'd all be paying still just property taxes. But look at that, how our taxes really have stayed pretty much in the same ballpark, somewhere between 9.5 percent of personal income and 11 percent of personal income. Now, there have been some ups and downs within that two percentage points, or a percent and a half. And you'll notice that right now we're starting back down. In 1994 and '96, we were above the line and...

SENATOR CUDABACK: One minute.

SENATOR SCHIMEK: ...closer to the top part. And then we slid down, of course, when we started undoing some of the higher tax rates that we've had. And I think we should think about this. We haven't increased taxes as a major portion of our ability to pay by very much over all the years. And if we hadn't reduced taxes back in 1997, it might be that we wouldn't be having some of the same problems that we're having today. I keep hearing about how, if you have a personal household budget and things get tight, you just have to suck it in and cut your expenditures. But never is it related to state government, in that you wouldn't as a personal gesture give money back to your employer when you got a little extra in the bank. No, you keep it in the bank and you have it for the rainy days.

SENATOR CUDABACK: Time.

SENATOR SCHIMEK: And maybe we don't do enough of that. Thank you.

SENATOR CUDABACK: Thank you, Senator Schimek. Senator