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LB 283

about a 25 percent increase now.

SENATOR CHAMBERS: Okay. Who will actually pay this tax? Out of whose pocket will the tax...?

SENATOR LANDIS: Well, eventually it will come from the consumers.

SENATOR CHAMBERS: But the lobby is the one who determined that this amount is going to be reduced from 50 percent to 20 percent, roughly?

SENATOR LANDIS: No, but they agreed to that. That makes...and that probably has some impact, yes.

SENATOR CHAMBERS: What...?

SENATOR LANDIS: But the...no one has a vote here except the 49 of us, Senator Chambers. I'm sure you're aware.

SENATOR CHAMBERS: What drove the decision to reduce the amount by more than 50 percent? Because I liked the original. That's what I'm getting at.

SENATOR LANDIS: Right. The amount of tax that Nebraska has, with this amount in it, in other words, the one that we're suggesting here, places it at the high end of the scale with all of our neighbors but one. The amount that was originally in the bill would have placed us astronomically higher than all of our neighbors.

SENATOR CHAMBERS: Thank you, Senator Landis. Members of the Legislature, the term that Senator Landis used, namely "astronomically higher," is a relative term. The liquor industry has not acquired the political clout of the insurance industry yet. So we need to look beyond what other states may have succumbed to in terms of accommodating the liquor industry, and consider what our purpose is with a taxing measure. I don't think it will be argued, as was done with cigarettes, that this tax is designed to discourage people from consuming John Barleycorn and spending time in his company. It is a revenue