

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

May 6, 2003

LB 379

far from Nebraska. He's got a post office box across the state line. He figured it out in a hurry. So I question that. And I have one other one out there that's in the process of moving out because he sees no point staying in Nebraska, paying income tax on his military retirement benefits, his retirement pay, when he can move across, Colorado, Kansas, either one, basically the same climate, and not pay any taxes on it. So we're going to further exasperate (sic) that problem if we increase the tax rate on those military retirees. As I said, one in seven states that still taxes military retirement benefits, unbelievable. So my point is we're returning the tax rate to 1996 and nothing else, folks. We're not going back to 1996 in cost of living. We're not going back where the stock market was. Interest rates are different. State aid to schools has gone up and I still challenge anyone to stand up and say,...

SENATOR SCHIMEK: Time.

SENATOR BAKER: ...yep, my property tax has gone down since we increased state aid to schools. Thank you.

SENATOR SCHIMEK: Thank you, Senator. Senator Engel.

SENATOR ENGEL: Madam President, members of the body, I, too, have problems with what we're trying to do here, raising the income tax a second time during the session. I remember back in '96, I was in the Legislature when we lowered the rate because we did have excess revenue then, and I think that's when we should do those things. And like Senator Brashear said, if we hadn't done that at that point in time, those dollars would have been spent for ongoing problems, I mean for...well, sometimes they are problems, ongoing programs that would create a problem now because it would create a situation we'd have to have bigger cuts than we're going through. The thing is, over the years when I was in business, I paid a lot of income tax. I never complained about that because I remember growing up my father with eight children didn't pay any because he didn't have income. So when I started making some money, I didn't complain about paying my taxes because if I wasn't paying taxes I wasn't making any money. So I never did complain about that. But I also realize from where I come from, up in northeast Nebraska,