

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

March 22, 2004 LB 1093

did last year, we're starting to go in the wrong direction again. And I think what we had gotten to in 1991-92, 37 percent, was in the area of reasonableness in terms of the property tax levies as opposed to the total taxes paid. And that's what I mean when I say, and many other people are saying, we don't want to be going back to more property taxes. The mix...we were getting better with the mix. Now we're starting to get worse again. I thought the other thing that was interesting about this chart, in order to give a broader perspective, at the very bottom I circled some other numbers. And what that tells you is that in 1971-72 the total amount of taxes levied were 11.2 percent of personal income in the state. Ten years later, it had gone down to 9, the total amount of taxes was 9.7 of personal income. Ten years later it was 10.3 and then you see in 2001-02 total taxes on all these major taxes was 10.1 percent of personal income. And the story that that tells you I think is that we've changed the mix of taxes, but in terms of the total amount of taxes compared to personal income in the state, as the state has gotten richer, government has not taken any higher percentage of income than it took way back in 1971-72. It's even slightly less. So...but the main point that I wanted to point out is that we have done a job with property taxes and I hate to go back. I might also point out to you that with regard to basic state aid to schools back in 2001-02 the total amount of TEEOSA aid reached \$646 million. The next year it reached \$661 million, '02-03. And then '03-04 it declined; in '04-05 it declined again on a flat-out dollar basis. That's not even taking into account inflation.

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: It means that the total amount to state aid, in state aid in flat-out dollar amounts, disregarding purchasing power, has decreased for two years in a row. And depending on what we do, that will affect what happens obviously these next couple of years. So I thought those two pieces of information would be of interest to you. Thank you.

SENATOR CUDABACK: Thank you, Senator Beutler. Senator Kruse, followed by Senator Kremer.