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LB 312

impact to this? The argument is that it is so-called business climate. Well...and, yes, it is business climate. But you notice in...or I noticed in an editorial I read just this weekend, well, yes, we're doing this, but the real problem with the business taxing climate in Nebraska is the income tax is too high. If you give \$17 million away per year, what is the chance you're going to be able to do anything meaningful about the income tax rate in Nebraska? And if that's the real business climate issue, why aren't we addressing that? Why do we just sort of stumble over ourselves to hand things away when it doesn't make good sense? I have not suggested that we don't do the sales tax exemption, but we do some other sort of a tax break instead. I suppose I could have come up with a proposal for income tax, I will guarantee you, if you can suggest that this is...or if you will go along with me, that this is not a good policy for the state at this time, I will work mightily to come up with some other way to use this money. Although I will suggest to you, if you look at the green sheet, and you look at that negative number in the out biennium, maybe the most sensible thing right now to do, is not to spend the money at the rate of \$17 million a year in a reduced revenue base to the state, but simply hang onto the money so we're in better position to address that out year biennium. I would be happy to engage in any sort of discussion you would like. I am very serious about this amendment. I am pained that we are doing this. I think this is absolutely the wrong thing to do, from a standpoint of the state's tax policy. I hope you will join in supporting this amendment. Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. You've heard the opening on the Raikes amendment, AM1626, to LB 312. Open for discussion. Senator Baker.

SENATOR BAKER: Thank you, Senator Cudaback and members. Senator Raikes is pained. I'm going to have to get him some ibuprofen or something. I'm smiling, Senator Raikes, now, I'm smiling. But I'm a little bit appalled at Senator Raikes defending status quo for big business, because if you'll recall the discussion on General File, the large companies are qualifying for this refund, if you will, now. If they qualify for LB 775, those companies--the Union Pacifics, the ConAgras,