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

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I keep information on military contractors and those others who exploit war efforts and are war profiteers. And that's what these military contractors are. And I have reams and reams of And do you know why I clip it from material like this. newspapers? So I can show what was out before the public, that didn't have to do any special digging, it didn't require any profound historical research. But just going to the daily papers, you can find the story, the sordid story, of what these operations have done. I gave the date. It's from the Omaha World-Herald, page 1 of section D. "Some military contractors evade taxes" is the headline. Then, beneath that, the GAO says more than 27,000 contractors owed about \$3 billion in payroll taxes at the end of the 2002 fiscal year. This doesn't even go to the corruption of those that I was talking about, who overcharged, as Haliburton was doing, on the meals that they were serving the troopers, the failure to provide equipment and armament that would meet the standards they were supposed to supply and were paid for but did not do. This is a reprint from a New York Times item. More than 27,000 military contractors, or about one in nine, are evading taxes and still continuing to win new business, congressional investigators have found. investigators also said that the government had failed to make meaningful use of its authority to collect from these delinquent companies and individuals by offsetting payments for their work. The tax cheats owed an estimated \$3 billion at the end of the 2002 fiscal year, mainly in Social Security and other payroll taxes...and Social Security is in trouble? But anyway,...that were diverted for business or personal use, instead of being forwarded to the government, actions that could bring criminal prosecution. Lesser amounts were owed in what kind of taxes? Income taxes. The finding by the General Accounting Office were in a report released Wednesday at a briefing by the Senate Permanent Subcommittee on Investigations. At a hearing before the subcommittee Thursday, GAO auditors concluded the Pentagon should have made a dent in the billions owed by collecting at least \$100 million in unpaid taxes that year. A 1997 law requires federal agencies to withhold 15 percent from payments to individuals or businesses with unpaid tax bills. Digressing, the government is bedazzled by these operations, just like you all are going to be in this Legislature. You all are the state governor...state government, suckering the taxpayers again, for