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

March 22, 2006 LB 968

wonderful work. And I had to tell him, regretfully, that we had committed very strongly within the Revenue Committee to holding firm on the package that we were putting before you. types of sales tax exemptions as Senator Byars is proposing are usually not difficult to get out of committee because in fact we do understand the need for them and the rationale. also remember the day that we heard the bill and heard other bills that followed, and saw the slippery slope. You'll recall that I actually introduced a bill in the Legislature which removed a lot of exemptions, actually all the exemptions except for food and medical care and products. And the reason was, our sales tax rate keeps creeping higher and higher as we exempt more and more entities from that base. And so within the Revenue Committee, in our discussions, we thought it was very wise for us to hold back and look at whether we wanted to contract the base even more. If we didn't have all the exemptions that currently exist, our sales tax rate would be roughly 2.8 percent instead of 5.5, and that's a burden on people, and it's certainly a burden that hits the poor at a greater rate than it does the affluent. So I have a concern there about contracting the base. I have sympathy for the bill, and I like the work that these people do across the state of Nebraska, but I respectfully told Senator Byars I would not be supporting his amendment. Thank you.

SENATOR CUDABACK: Thank you, Senator Redfield. Senator Chambers.

SENATOR CHAMBERS: Mr. President, members of the Legislature, during Senator Redfield's disquisition, I did not hear her say anything about not being able to forecast how much this might cost. So I'd like to ask her a question or two. (Clearing throat)

SENATOR CUDABACK: I'm sorry, Senator Chambers. What did you ask? Senator Redfield,...

SENATOR CHAMBERS: Three guesses.

SENATOR CUDABACK: ...would you respond?