

March 21, 1983

LB 363

Senator Carsten's opinion that this may be a piecemeal approach. Nothing would please me greater than if it could be incorporated to a total package but so far we have not seen a total package come from Revenue. I would like to see that package. I would like to see this incorporated. I would ask you to advance this bill to Select. We agree that we will hold it there for up to three weeks giving the Revenue Committee a chance to address this problem. At the same time we will address the problem on the city issue. These are things that I think need to be addressed. Please cooperate we ask and advance this bill, LB 363, to Select.

SPEAKER NICHOL: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I don't have quite the same concern for the cities that Senators Morehead and Newell and their realistic assessment of the situation is showing. When I offered a bill to Senator Carsten's committee to cut Omaha's sales tax by 1%, I told the committee members that Omaha officials don't tell them the truth about money. The committee did not believe me. They killed my bill. Then to their chagrin and embarrassment a few days later the mayor sent a telegram down here to every member of the Omaha delegation except me. He sent a personal telegram to every member of the delegation except me saying that they had a \$3,500,000 surplus which indicates that they had not been telling the truth even to Senator Carsten's committee a few days prior when I presented the bill. Now what we are looking on the sales tax on food is an issue separate from the amount of revenue that the city has. We are talking about whether or not the imposition of a tax on food is correct, proper or moral and it is not. Once we have realized that food should not be taxed, the fact that some cities have stumbled into that quagmire does not mean we should join them there and leave the tax on the food. I am opposed to the proposition in the bill but I won't try to amend it out which says that food in restaurants ought to carry a sales tax. For those of you who are married and have somebody preparing your meals, I want to remind you there are some people who are not married, who are not rich, who eat in restaurants. I fit all three of those criteria. And the food should not be taxed simply because it is in the restaurant. Either it is proper to tax food or it is not but I recognize that those who are supporting this bill who sponsored it have to make certain concessions hoping to get something. Now the windfall proposition in this bill would say that although sales tax will continue to be paid on food this