

April 8, 1974

Imagine the problems at the grocery counter if we did not use this method. I believe the \$13 figure now as proposed in my amendment to Senator Marvel's amendment is right and fair and as a sales tax increases January 1, 1975, I think the next figure is equally fair. So I move for the adoption of the amendment.

PRESIDENT: All right now, Senator Kelly, do you want to debate the Burbach amendment to the Marvel amendment?

SENATOR KELLY : Mr. President, members of the Legislature. I rise to support the amendment to the Marvel amendment. And on the basis that any time we can get a crack at the sales tax, I'm in favor of that. And that's what we're doing here, we're going to charge this refund to the school aid tax. That's okay with me. But I do want to take this opportunity also to remind the members of this organization and the tax commissioner's office to advise the people of Nebraska that this is not an income tax refund. It's a sales tax refund and it is available to any citizen of Nebraska who has been paying sales tax. You do not have to take it as an income tax credit. We should refer to this continually as a refund so that word will get solid in everybody's mind that the people of Nebraska can get this money by writing to the tax commissioner's office. I support the amendment to the amendment.

PRESIDENT: Senator Keyes. We're debating the Burbach amendment to the Marvel amendment.

SENATOR KEYES: I'm on now. I'd like to ask Senator Burbach a question.

PRESIDENT: Senator Burbach yield?

SENATOR BURBACH: Yes.

SENATOR KEYES: Senator Burbach, the \$13 that we will be giving back this year with your amendment will exactly meet what is going out for food at 2½% sales tax, am I right?

SENATOR BURBACH: Pretty close. As close as I can determine, Senator Keyes.

SENATOR KEYES: According to figures I have here and this Legislature is in session every year, isn't it?

SENATOR BURBACH: This is right.

SENATOR KEYES: And if the sales tax should go to 3½% next year and the price of a food basket should drop 10%, then we could come in here next year and set the amount of credit so there would be no food tax charge. Everyone would get back exactly what they pay in. We could do that definitely.

SENATOR BURBACH: That is what we're attempting to do here this morning. This is the approach we're using and I think it's paramount we give back as close as can be determined that amount of dollars, no more, and no less.

SENATOR KEYES: Well, Senator Burbach, you are exactly right except I don't understand why you want to go into next year because next year the tax commission meets in November and they will set the sales tax rate. And when we come in, we can take it exactly on the index on food and figure out