

many of you know, there has been a difference of opinion between Senator Chambers and myself and Senator Chambers being very interested in this legislation in a different form. Senator Chambers has offered the elimination of the sales tax on food legislation long before I came to serve in this body and Senator Chambers' proposals in the past have been very philosophical. Senator Chambers being a very philosophical man, has offered the elimination of the sales tax on food on all food items. Now Senator Newell, that's me, has offered legislation somewhat different than Senator Chambers. I am not quite the philosophical man that Senator Chambers is. I consider myself to be a bit more pragmatic and consequently I have made numerous changes in the legislation as it has been offered and I would like to explain those differences between Senator Chambers' bill and this bill. As I said before Senator Chambers has offered elimination of the sales tax on food on all food items. This bill would eliminate the sales tax on food only on those food items that are bought for home consumption at a grocery store. Things that are not exempted that would be exempted under Senator Chambers' approach are simply restaurant foods, foods from the quick shops or the fast food places and machine types of foods, those things that are bought in machines. Also this bill makes that distinction also for candy items. In other words, candy is of questionable food value but it is considered food and for that reason it is not exempted under this piece of legislation. Last year we adopted an amendment that the Department of Revenue prepared for this bill which would make it more clearly definable in terms of which items would be exempted and which items would not be exempted. That amendment is presently part of this legislation. So this bill stands today as a bill that would eliminate the food items only in those areas where the food would be prepared at one's home and is purchased at a restaurant and therein lies the difference between the bill. The effective date of this bill is January 1, 1981, and I have an amendment before the body that I will be offering to change that effective date. But first I would like to go on to explain a little bit about why I think LB 16 is a bill that we ought to pass, a bill that this Legislature should adopt, a piece of legislation that would exempt from taxation the most basic of all necessities and those are food items. Now there is a case that can be made for the three primary necessities of life and those necessities being food, shelter and clothing and a case could be made to exempt clothing. A case could be made to exempt at least the bare minimum of housing required to keep one warm during our cold winter nights here in Nebraska and we have done