

to get that break. The people that can afford to buy land are going to get that break. That means that that labor man is going to pay that penny, that renter is going to pay that penny to pay for those who are getting homestead exemption. When we vote on this amendment we are voting for a penny increase in sales tax. I want you to know that. Thank you.

SPEAKER NICHOL: Senator Lamb.

SENATOR LAMB: Well, Mr. President, members, I would just draw your attention further to LB 38 which is following up here. I know we're not debating that bill at this point, but the question remains here first of all, as Senator Vard Johnson has mentioned, whether or not you want to provide property tax relief by increasing the sales tax. Both bills will do this. Secondly, the decision to be made here in this session is what form will this property tax come in. Will it come in increased homestead exemption.

SPEAKER NICHOL: Excuse me, Senator Lamb.

SENATOR LAMB: Thank you.

SPEAKER NICHOL: It's entirely too noisy. (Gavel.) We must have it more quiet. Thank you, Senator Lamb.

SENATOR LAMB: Do we want the increased property tax relief to come in the form of increased homestead exemption, or do it another way which spreads it around over the business community and agriculture. My proposition is that my bill, LB 38, would spread it around. It would not only benefit the homeowner but also businesses and agriculture. We've had a lot of discussion this year about the problems of agriculture. I think we all know that businesses across the state also have those problems. So I submit that we should, at this point, spread the property tax relief around. We know very well that businesses and farms contribute heavily to the sales tax income. So it seems to me it is very logical that we use other than homestead exemption to accomplish the purpose. We are well aware of the \$3,000 exemption which we passed at the tail end of last session. The problem, at this point, is that whether or not that will be funded. We've had difficulty coming up with a solution to that problem. The Governor does not have it in his budget. I don't believe the Appropriations Committee has it in their budget. So what we are doing, under LB 712, is