

carrying this bill have taken the time to work out what these tax increases really represent and the one thing I have always found interesting is that this enormous increase, or it appears to be such in the beer tax, comes out to be an increase of less than a penny a can of beer, less than one cent a can of beer. And I say to myself, that represents a very insignificant increase in tax per unit of consumption. I do not believe that this increase will have any profound or significant adverse effect upon any retailers of alcohol in Nebraska. The second point raised is this. Why should we expect alcohol to carry such a high tax simply because alcohol does have some very harmful effects for those who use it to an excess? Why should we not have alcohol bear a normal tax like other commodities? Now my answer is very straightforward. Our society, our society has a truce with alcohol and the truce is that we will legalize its use as we did following prohibition, but, by the same token, because we do know that alcohol does have a very damning effect on the individual when consumed to an excess, and an incredibly costly price to society, we will not be hesitant or reluctant about taxing it very heavily. And we do tax alcohol very heavy. It makes me little difference that the monies from LB 280 may ultimately move into the alcoholism programs, or the mental retardation programs or the handicapped programs, or what have you. The important fact is that I am simply carrying out what has been a very longstanding social understanding that the price that alcohol pays for its legalization in America today is a large one. It is heavily taxed. It is heavily taxed. But notwithstanding the heavy tax, it does not keep people from consuming it. It does not keep manufacturers from making and distilling. It does not keep wholesalers from selling, retailers from selling and obviously people from buying. Finally, when these tax increases are approved we will only have brought Nebraska to the national average. I want you to be mindful of the fact that Nebraska currently is quite low on its alcohol taxes in relationship to what other states are doing.

SENATOR MARSH: One minute, Senator.

SENATOR V. JOHNSON: So when this is approved even with a compromise position, we will only be at about the national average. Again, I simply suggest that Nebraska be in the mainstream of social thought regarding taxes and alcohol.