

this is all about? Who is it going to help, who is it going to hurt? If we are talking about banks that are ailing, what is the best thing we can do to get a fair tax without hurting those that are already having a struggle surviving? Thank you.

SENATOR DECAMP: Well, you certainly did lay out a number of questions. I will try to give you my version or my opinion on all of them very quickly. The state needs money and there is an argument that one of the best places to produce some additional revenue is to tax financial institutions. That is what the Kopf amendment purports to do. There is an added incentive on the part of the Revenue Committee, Senator Johnson, the others, and this body to tax financial institutions or make some changes. That added incentive is that as a fluke of fate at a United States Supreme Court decision approximately 25 to 35 to maybe as much as 40 million that had previously been paid by financial institutions had to be returned within recent years to the financial institutions because our United States Supreme Court said that that tax was collected illegally under the Constitution. As a consequence of that decision, we imposed or wrote a new law called LB 619. There are some who contend or argue that 619 has not generated enough money, enough tax revenue. The counter argument to that, the counter argument to that is the whole technique of taxing financial institutions is kind of difficult and complicated because, first of all, we are dealing with a product, money, which is unlike...

SPEAKER NICHOL: The call is raised.

SENATOR DECAMP: ...which is unlike taxing almost anything else, and in the handling of that money, we have a number of federal and state laws which try to direct money one way or another and use incentives, such as tax exempt bonds, municipal bonds, treasury bills. Additionally, financial institutions are probably the single most highly regulated industry there is.

SPEAKER NICHOL: One minute.

SENATOR DECAMP: So any time you alter your taxing system, you must carefully check as to what other ramifications you have. I submit to you that the Kopf system that has been described here has too many unknown ramifications and I used