

teacher. Would you please stand and be recognized, all of you. Thank you for visiting the Legislature this morning. Senator Schmit, please, then Senator Beutler.

SENATOR SCHMIT: Mr. President and members of the Legislature, I don't know how many times I've stood on this floor in the last many years and said that the tax structure of Nebraska was like a patchwork quilt. Each year we put another patch on and if we happen to wear it out one year we put another patch on. We're looking now at several different areas. We have the ag land tax, we have the banking tax, we have a tax on racing, we are toying around and playing around with a significant change in the support of schools which is going to require some substantial adjustment in taxes and how you collect them and how they are distributed. I'm not in a position financially to do it, but I would buy the treats for everyone in here if there is one person in this body who can explain the impact of all of those various bills satisfactorily and effectively and honestly to the rest of the 48 of us. Except than Senator Warner, I've been here longer than any of you and I can't do it. Senator Carsten, who was Chairman of Revenue Committee, and I see Senator Carsten has got the same kind of perplexed looks that I've got on his face relative to these bills. And I can tell you that yesterday we adjusted a whole series of taxes again. There is a lot of wailing and gnashing of teeth, out in the country this morning, about some of those amendments or lack of amendments, and there is going to be some more when the impact sinks in. Right now I don't...let's narrow it down to 717. I didn't hear all of Senator Warner's comments, but I agree with those that I did hear. I don't think you can tax the deposit. I think the tax...will be taxed on the property, number one. Number two, if you did, if you did you are doing, and if I voted for it, I would be flying in the face of everything I have spoken against for 17 years, and that is that the ownership of property of so and so is not necessarily an indication of ability to pay. There are banks out there who have deposits, in my area, who can't afford this amendment. I also agree with Senator DeCamp that there are people who think that there is not going to be a tax on banks this year, you are whistling Dixie. We're turning over every rock, every stone, every bush, and there is going to be some tax on banks. I think that the tax on income is a fair tax. I'm not sure that the tax proposed in 717 is fair to certain institutions, but I generally favor an income tax. I think