

the motion to advance the bill.

SPEAKER NICHOL: Debate has ceased. Senator Vard Johnson, are you going to close on the advancement of the bill?

SENATOR V. JOHNSON: Mr. Speaker and members of the Legislature, I'm going to ask you to advance LB 715. I guess as you first consider whether to advance the bill or not, I'm going to ask for some hard decisions on your part. Need to look at the green sheet, something called general fund financial status. It's right on top of your green sheet files and you will note that we show available for appropriation \$846,264,000 and we show that available before the new economic forecasting projection comes in. It is my understanding that that sum will be decreased maybe \$10 million so we may have available for appropriation \$836 million.

SPEAKER NICHOL: The call is raised.

SENATOR V. JOHNSON: You will note that we have appropriation bills of \$846 million. I submit that we are at least \$10 million short of money for regular appropriations without funding the general homestead exemption, without even looking at the general homestead exemption. So what the Revenue Committee is conscientiously providing to you is it is conscientiously providing to you a series of bills designed to expand the tax base, not to increase the tax rate. There is not a bill on this legislative floor today to increase the tax rate. If we expand the tax base, we can take care of the level of appropriations before us without increasing the tax rate and I think it is far better to expand the base like our sister states have done than to simply increase the tax rate. This is a major base expansion bill. The primary thrust is to impose a sales tax on commercial and retail purchases of utilities. There are some secondary aspects of the bill. We have talked about farm sales. We've talked about whether or not simple sales of one item of equipment from one farmer to another farmer is to be a taxed transaction. We have worked very conscientiously to make certain that those kinds of transactions are not taxed transactions. On the other hand, if there is a liquidation sale, then that may well be an occasional sale that would be a taxed transaction, in which case the purchaser who buys at that auction sale is no different from a purchaser who goes to the implement dealer