

law.

SENATOR LANDIS: Two minutes.

SENATOR V. JOHNSON: Today you and I are absolute prisoners, we are absolute prisoners of Congress, and so are the people of this state, because Congress changes our tax law. We don't change our own tax law. Congress changes our income tax law. And the only thing that you and I have been able to do, over the last four years, to deal with that imprisonment is to increase our rates so that we can be held harmless from those changes. LB 1142 allows the tax commissioner to adjust the rates so that we can be held harmless from congressional encroachment on our tax authority. The alternative to 1142, the alternative is the constant placement of us in the box at having to adjust the rates when Congress diddles with our base, or the development by this state, or the development by this state of a stand alone tax system. And I have looked at stand alone tax systems. They are costly to administer, they are burdensome on the taxpayer, we are not prepared to do a stand alone tax system. LB 1142 offers a responsible middle ground choice to prevent the raids on us by Congress of our tax base. With that, I guess I've said enough.

SENATOR LANDIS: Thank you, Senator Johnson. We have ensured ourselves of a lively discussion, as you requested. The speakers, in this order, will be heard on the amendments Senators Lamb, Hefner, Higgins, Haberman, and Warner. Senator Lamb, on the committee amendments.

SENATOR LAMB: Mr. President, members, I'm not sure we need this bill. If we need this bill as a vehicle to possibly adjust the tax rates, that is one thing. But if we are talking about a system where we give much authority to the Department of Revenue then I don't think we need it, and I don't think we want it. And I don't think we want to give that authority to the Department of Revenue to adjust, "automatically", adjust our tax rates. I think that would be almost abdicating our own responsibilities. I believe this body should not do that, that we are perfectly capable, if the federal rates are changed, to change our rates to correspond or to react to the federal changes. Now we are not prisoners of the federal Congress because we do have the authority to change these rates either in the regular session or, of course, in a special session. I would resist this sort of a program. I recall when we were talking about the equivalent tax rates before and after federal