

slowly but surely creeping higher and higher in sales taxes, and, at the same time, we are voting millions of dollars for economic development. And we know, excuse me, we know how much sales tax influences purchases which was one of the reasons why we took it off of food. This is the only reason I am rising. I will withdraw the motion. I merely wanted to remind you that you are voting to increase maybe more than you had remembered what we had done last year. Thank you, Mr. President.

PRESIDENT: Senator Abboud, did you have a motion?

SENATOR ABOUD: Mr. President, colleagues, I just wanted to echo my concerns that we are...

PRESIDENT: State your motion so we will have something on the floor.

SENATOR ABOUD: My motion is to return LB 539 to Select File for the purpose of striking the enacting clause.

PRESIDENT: Thank you.

SENATOR ABOUD: The bill itself increases the sales tax to a level that I feel is not needed by this Legislature. I supported the Governor on his vetoes. There were a handful of us in the room that supported the Governor in his attempt to try to reduce the size and the scope of government. Now, it is never easy to make these kind of decisions because there is a lot of very good reasons to have these particular programs. They wouldn't have been enacted into law unless there were significant reasons. But I think we have a compelling reason to the State of Nebraska, the citizens, to keep their levels of sales and income tax at a reasonable rate. Now, it is my belief that by raising the sales tax to this level as of January 1st, it is going to have a significant impact. I think we have seen great strides in the economy since we have been reducing taxes at the federal level. Levels of inflation have dropped. The general growth in the economy has shown that if you do reduce taxes to a certain level that you do have economic stimulation. Now, there was an interesting comments that were made by an economist over the weekend in dealing with Nebraska's general economy, and he said that they would have a significant impact if we did increase the sales or the income tax rates because it is money that is coming out of the economy. It is money that isn't being spent to go and buy groceries or other items in this general economy. Now, I think we are all aware since April 15th