

overruling? Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker and members of the Legislature, I rise to support Senator Nichol's ruling. Now I will engage in legalisms. The call says that the Governor wants us to meet in special session to consider a variety of things and one of those things is to increase the state cigarette tax. That is what the call says. If you read LB 3 carefully and closely you, will discover, to your surprise,...

SPEAKER NICHOL: Excuse me, Senator Vard, (gavel.) Some of you are engaging in conversation that is disruptive. Would you please hold it down so we can hear the speaker. Thank you.

SENATOR V. JOHNSON: You will discover, to your amazement, that the state cigarette tax is not 18 cents a package, is not 23 cents a package, but instead is a wholesaler tax for the privilege of selling cigarettes and that wholesaler tax is a net tax, it is the amount of the tax placed on the cigarette package less the discount. Read the bill carefully. The state cigarette tax is a net tax. So when the Governor says you are to meet in special session to consider among other things an increase in the state cigarette tax, that increase clearly contemplates, clearly contemplates an increase generated by an increase in the net tax. The net tax consists of two elements, the amount of the stamp tax on the pack and the amount of the wholesaler discount. In fact, the Governor could have made the call that we are to meet in special session to increase the state cigarette tax and have given us a bill that would simply lower the wholesale discount, could simply have done that, without increasing the stamp tax on the package one cent. Because that would have been an increase in the net tax, which is what our cigarette taxes are, they are a tax on the privilege of selling and distributing tobacco, the bill would have been well within the call. So we have engaged in what in Jewish circles is known as pilpul. Pilpul is an exegesis on the Talmud, the Torah, the mishnah where the rabbi says, on the one hand, it could be this way, and on the other hand it could be that way, and grown men and grown women spend hours and weeks and years and eons discussing the pronounced word, knowing in the end that it doesn't make a lot of difference. The truth of the matter is this bill is well within the call.