

this body. How come there are some states that do not have a state income tax? And, Senator Wesely, maybe you would address that in your closing. Why do some states not have a state income tax? I live right next to one that does not have a state income tax, South Dakota. So are we saying we really benefit the wealthy in South Dakota or don't we have any wealthy people up in South Dakota, but those are some things to think about. Senator Wesely did say he was pleased with the Governor's thought on the need to reduce state income tax rate, and I say "amen" to that. I agree with that, too, but at this time, I would just like to go along with Senator Hannibal's priority bill that says...that will reduce state income tax rates by the tune of \$18 million. And if I have any time left, Mr. Speaker, I would like to give it to Senator Hannibal.

SPEAKER BARRETT: Thank you. Up to 2 1/2 minutes, Senator Hannibal. Go ahead.

SENATOR HANNIBAL: Thank you, Mr. Speaker, and thank you Senator Hefner. I have got some questions for Senator Wesely. Is he still around?

SPEAKER BARRETT: Senator Wesely, would you respond?

SENATOR HANNIBAL: Senator Wesely, I was trying really quickly to work with your staff member to find out exactly what the bill is doing and it is very confusing, and you don't have it written down anywhere, but are you trying to make the exemption go up by an additional \$15 million or \$20 million?

SENATOR WESELY: An additional \$15 million for a total of a \$20 million exemption increase.

SENATOR HANNIBAL: And the superbrackets supposedly that you are adding on here, that is about a \$6 million increase?

SENATOR WESELY: No, \$5 million...it would take the \$6.7 million loss or reduction and make it neutral, so it comes out the same.

SENATOR HANNIBAL: The superbracket by itself, if you just did that, it would be almost a \$6 million shot, right?

SENATOR WESELY: Yeah, but we still have the rate reductions.

SENATOR HANNIBAL: Six million dollar tax increase. And then