

March 23, 1981

LB 197

of a Supreme Court decision with regard to our income tax, we can refer to federal code in statute. That way we don't clutter our statutes with these type of regulation setting forth the amounts. All we have to do is refer to the specific section.

SENATOR HIGGINS: Where in the packet is the listing that the federal government gives you?

SENATOR KILGARIN: It is where it says, "Credit for the Elderly". It is toward the back of the packet and has all the income amounts.

SENATOR HIGGINS: Mine doesn't.

SENATOR KILGARIN: Would you like me to read you the amounts, Marge?

SENATOR HIGGINS: Yes.

SENATOR KILGARIN: Okay. There are many different sections but let me just give you the main ones. The initial amount is \$2500 taxable income if you are single, a head of a household or a qualifying widow or widower; \$2500 if you are married filing a joint return and only one of you are 65 years old; or \$3750 if you are married filing a joint return and you are both over 65. It is \$1875 if you are married filing a separate return and you and your spouse were not members of the same household at any time during the taxable year.

SENATOR HIGGINS: That is the maximum income you could have then with the federal in order to get the credit?

SENATOR KILGARIN: No, that is the amount it is figured on. The maximum income, if you are single, head of a household, qualifying widow or widower and received \$2500 or more from nontaxable pensions and annuities or you have an adjusted gross income of \$12,500 or more. Now you see what you have to do is you have to subtract all of that nontaxable income, and if you come up with less than the \$2500, you do not get the tax credit.

SENATOR HIGGINS: But if you have \$40,000 income, you could still do it.

SENATOR KILGARIN: You will not qualify.

SENATOR HIGGINS: Or \$25,000.