

March 23, 1981

LB 197

SENATOR KILGARIN: No, you will not qualify. The absolute maximum income you can have and qualify possibly, but it is very, very unlikely, is \$17,500 if you are both married, 65 years and older, and then it is very, very unlikely that you qualify.

SENATOR HIGGINS: You have answered my question. Thank you.

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: Mr. President, members of the Legislature, I like to think I kind of halfway understand the bills or a good portion of them as they are flying across and I have got to be real honest, I do not fully understand this one even though I kind of tried to and so I need some clarification from Senator Kilgarin or whoever is knowledgeable in the area to provide me a little information. As I understand it, and you correct me when I say something wrong, Senator Kilgarin, as I understand it, at the present time we do not have this credit or whatever you are going to call it, and if we give this, if we give the credit, not only will we cancel, let's say, cancel the tax they are paying, certain people are paying now, we will in addition draw money out, subsidize it, a direct subsidy out of our treasury to X number of people. Is that right or wrong?

SENATOR KILGARIN: I would have to say it is wrong, Senator DeCamp.

SENATOR DeCAMP: Okay, then I don't understand the bill. Then I have got a question of Senator Newell. Senator Newell, as I understand it, the amendment you offered which we just rejected, the Legislature just rejected, that would have simply offset almost dollar for dollar, penny for penny, what they are paying in in state income tax, you would have cancelled, is that right?

SENATOR NEWELL: Only in terms of the credit, only in terms of its relationship to the federal credit. (Interruption)

SENATOR DeCAMP: Right, but it is just what they were paying into the state now?

SENATOR NEWELL: But, John, this bill was originally...let me say that you are right but the key thing you have got to remember is this bill is a partial replacement for those people who have a retirement benefit that is taxable. So not everyone gets this. It is only to try to replace that and it is not a full...