

trickle down theory of economics to let them go free from taxation and then take it up with sales tax and real estate taxes.

SENATOR CLARK: Senator Hefner.

SENATOR HEFNER: Mr. President and colleagues, I rise to support the Carsten amendment. The Revenue Committee worked long and hard on this issue. It was a hard decision for most of us. If you can recall or look in your bill book you will see that we sent this bill out with an amendment at 40%. I didn't approve of this but I agreed to go along because we needed to reach a compromise and get a bill to the floor. I think now that this 35% is a fair rate. I know there are still some corporations that are fighting it. They do not care to see it and, of course, I'm located in the northeast corner of the state. Some of the corporations up there said that if we raise our rate too high, they do not care to expand and some of them have even talked about moving into South Dakota. Of course, as you know, South Dakota does not have a state income tax. I did consider offering an amendment to drop the rate to 30 or 32½% but I think this is probably going a little bit too far and we would not raise enough money for this coming year. I think we have to be careful that we don't get this corporation rate too high so that these companies will expand in our state and will stay here and do business in the state. Many corporations in Nebraska provide a lot of jobs. They pay a lot of taxes and so I think these are all things that we need to consider. So I would urge you at this time to support the Carsten amendment.

SENATOR CLARK: Senator Fowler.

SENATOR FOWLER: Mr. President, I guess to get some insight as to which proposal is actually before us I wonder if...I tried to read the fiscal information in the bill book and I'm not sure it is the most current information. I guess I would have a question of Senator Carsten. I know he is busy with Ed Howard but...

SENATOR CLARK: Senator Carsten, will you respond.

SENATOR FOWLER: Senator Carsten, I may have missed the information but it would be...helpful for me at each of the rates that we're talking about to the corporate income to indicate what is the expected revenue to the State of Nebraska for next year? Now the rates are...the committee bill as amended is 40% and your proposal is to bring it down to 35% and then there is a 30% amendment that is being talked about. Now all these are premised on a 17%