

SENATOR MOORE: Yes.

SENATOR SCHMIT: I see. Well, you have answered that question. I am not sure I like the answer. Secondly, then, another question, I understand under 773, if I can remember Senator Vard Johnson's numbers correctly, that an individual who earned \$150,000 would save about \$850 a year on the state income tax if, in fact, or when we did pass that bill, is that correct or do you remember?

SENATOR MOORE: Oh, I don't remember. I voted against that bill like you did, and I tried to forget it as quick as I can.

SENATOR SCHMIT: Well, it seems to me that I remember, and if that is true, then 1.75 tax rate on \$150,000 should yield somewhere in the area of how much? Twenty-seven, twenty-eight hundred dollars, \$2,875?

SENATOR MOORE: I will defer to your arithmetic if that is what it is.

SENATOR SCHMIT: I think I learned that in a Class I school also. It should be around 2,875, I think. I will have to do some more quick calculating on that. My question is, Senator Moore, will this bill reverse some of what was attempted to be accomplished under 773, can you answer that briefly for me, please?

SENATOR MOORE: No, because simply what it would do, we just take a...work either way, you can add an income tax rate on, over and above the present income tax rate, or you can dedicate a portion of the present income tax rate to go back to school districts, so depending on what the body chooses to do, which fork in the road it chooses to take that way. But even if you would take, where you were adding an income tax rate over and above the existing rate, you could do that using the same progressivity in the existing income rate as is contained in LB 773.

SENATOR SCHMIT: You are telling me you would not just tax 1.75 on each of our individual present tax rates then?

SENATOR MOORE: No, well, that would be an option you could do, but the intent is you either subtract 1.75 from the present tax rate or add it over and above, but actually you would take the