

increase, we all know that now, and finally it's been admitted to by everybody. And we're trying, under this bill, to deal with that. But in addition the silent fact that hasn't been known as well is how much within our income taxpayers we shifted the burden, and that hidden way we took from the rich and gave them a tremendous advantage and we took and shifted that burden over to our middle income individuals. So when you have the elderly and the working people calling you over the past two years saying, gee, they sure knew there was a tax increase, and why didn't the Governor recognize it, it's because not only was there a tax increase, but in some cases they got a double hit. They got the tax increase and they got the shift in burden from the wealthier individuals who had a reduction in their tax rates. We're trying to get back to the idea that those people with \$90,000 or more in taxable income can probably afford a slightly higher rate, instead of a 5.9 a 6.5 percent increase. Now by doing this you don't have the reduction in revenues that the Governor is talking about, you have only a reduction of about \$360,000 this year and \$200,000 in future years, which is you know basically a revenue neutral proposal. But it's a tax shift back to a more equitable system, a fairer system, more just system that recognizes ability to pay and the fairness in our tax rates that ought to be there. I think it's a very reasonable proposal, and would again, I think, help deal with the problems that some of us had with the passage of 773. Mr. Speaker, how much more time do I have left?

SPEAKER BARRETT: Four and a half minutes.

SENATOR WESELY: I'd like to give the rest of my time to Senator McFarland, who is co-sponsor of the amendment.

SPEAKER BARRETT: Senator McFarland.

SENATOR MCFARLAND: Thank you, Mr. Speaker. I'm sure you've received a number of phone calls and letters from people who have been upset because of the tax increase that was implemented through LB 773, and the message that we get back from them is give the tax increase money back to the people who paid it. And the people that paid that tax increase are the middle income individuals. And what Senator Wesely is trying to do, and I commend him for it and I agree with him in this context, is he is trying to decrease the tax brackets on more the middle income people, the 3,000 to 28,000 and the 28,000 to 45,000 dollar level, while making the wealthy, the people with taxable income