

April 11, 1989

LB 739

If we wanted to get into the discussion and go back, I'm sure more than just I have a transcript of LB 773 in their file. There is a lot of very interesting quotes in there dealing with who was in favor of what issues, and who were in favor of other issues. We can go into length on that, if we wish. Suffice it to say though I agree with Senator Langford, I did not know that I was voting for a tax increase. Senator Johnson, Vard Johnson was talking about a fudge factor it became known as, a fudge factor, 8 to 10 million dollars. And the purpose of it, as Senator Johnson said, was to make sure, because we were going through a double change, federal income tax system was changing rapidly, and our tax system was changing rapidly, made it very, very difficult to know exactly what the impact would be. So we had a fudge factor, admitted to you by Senator Johnson, and we bought off on the fudge factor, not a tax increase, the area for which we could allow for some miscalculations. We found out early on, in 1988, that the fudge factor was indeed at least that. But what did we do? We passed LB 1234, last year. What did it do? Took \$10 million, \$10 million off the tax rolls and gave it back to the people. In my estimation we should be square. The fudge factor wasn't necessary, 8 to 10 million dollars, we gave it back to the people and to LB 1234 last year.

SPEAKER BARRETT: One minute.

SENATOR HANNIBAL: Now we know, as Senator Wesely has pointed out time and time again, (laughter) and the Governor has admitted, probably too late or a little late anyway, that we increased taxes more than we should have with LB 773. I agree. But I never did it intentionally, and I don't believe that most of the people here voted for that bill, LB 773, saying I'm going to increase your taxes. We have a chance now to prove up that thought back then. I didn't intend to do it, I don't want to do it now, I want to cut it back to where it should have been, and that is what 739, in its original form, will do, without the committee amendments. If the committee amendment is on there, we don't even go half way. I urge that you reject the committee amendments.

SPEAKER BARRETT: Senator Hall.

SENATOR HALL: Thank you, Mr. President and members. Again, I rise in support of the committee amendments. Again, they strike two portions of the bill that basically cost the most, they strike the reduction in the brackets, and they strike the