

have, but, and while I will agree on that amendment that there is a possibility that some few people could have income from tax exempt bonds outside the state get a federal credit of as much as \$1,100, that income, however, outside the State of Nebraska, would come back into Nebraska and be taxable. So they would have taxable income. They also have to have tax liability on the federal level and on the state level in order to apply for the credit. So while there could be a situation, there is a flaw in the federal that would allow it to happen, while it could be for a very few people, the tax rolls show the vast, vast majority of the people that would get the credit available are in the five to ten thousand, truly needy people, people that don't have social security or have very low social security payments, and people that have a taxable pension, but the truly needy people are the ones that you just shut out by that. It is a \$200,000 bill. It is not a big issue either way. I think it is unfortunate that we took that away from the people that really need it because there is a possible loophole that a couple could qualify for. So be it, we have done that. If you come back and think differently in Select File, we may take a look at it again. The Department of Revenue said they were going to look at it to see if they could accomplish both things. Without that, however, I think we have a good step towards trying to fulfill a pledge, trying to fulfill my particular promise to people when I did vote for 773 that it was not a tax increase. One final point on that, lots of times we are talking about that 773 had a tax increase. Yes, I saw your badge, Senator Chambers. Yes, I read your story, Senator McFarland. Yes, I did hear Vard say, yes, it is a tax increase. In all cases, for me, maybe I was very ignorant, but I was here, in all cases for me, we were talking with the fudge factor. The fudge factor, I will reiterate one more time, 1234 of last year gave that back, took it off the tax rolls to people. That has been taken care of. This is the rest of the promise that we had an inadvertent tax increase. We would like to take it off the rolls. Advancing 739 tells the taxpayers, we didn't mean to do it and here is the proof. We want to vote to cut your taxes back. I would urge we advance the bill.

**SPEAKER BARRETT:** The question is the advancement of LB 739 to E & R Initial. Those in favor vote aye, opposed nay. Record vote has been requested. Have you all voted? Please record.

**CLERK:** (Read record vote. See page 1647 of the Legislative Journal.) 28 ayes, 11 nays. Mr. President, on the advancement