

April 21, 1989

LB 739

PRESIDENT: Senator Hall, would you handle that, please.

SENATOR HALL: No. Mr. President, I would move the E & R amendments be adopted.

PRESIDENT: You've heard the motion. All in favor say aye, opposed nay. They are adopted.

CLERK: Mr. President, the first amendment I have to the bill is by Senator Wesely. Senator, I have your amendment on page 1649 of the Journal.

PRESIDENT: Senator Wesely, please.

SENATOR WESELY: Is this AM1361?

CLERK: Yes, sir.

SENATOR WESELY: Okay. Mr. President, members, and, Senator Dierks, here, I can't see you very clearly but I know you're up there. Ladies and gentlemen, I appreciate the chance to offer to you AM1361. Earlier this morning I did pass around for your information a yellow sheet which does go through what this amendment accomplishes. If you recall the debate on LB 739, the issue that we had before us is how best to provide for the income tax relief that had been called for by me for some time and joined in by the Governor recently so that we might return the extra money, the increase in income taxes that have resulted from the passage of LB 773. The question really is twofold. The amount of the reduction that should occur and then the manner in which that income tax reduction should be provided in. The proposal I have does two things. Number one, it increases the amount we return to the taxpayers. Currently, the amount figured into LB 739 is \$20.2 million. I understand that is what the fiscal office is saying this is now costing. That is lower than the projected anticipated actual increase in income taxes. If you recall, the Revenue Department said the increase was around \$18 million. The fiscal office said it was closer to \$27 million. So I am asking us to keep faith with the voters and to keep faith with the taxpayers of the state and raise the amount of tax relief, income tax relief, from the \$20 million of this bill to the \$27 million of this amendment, and you do that primarily by increasing the personal exemptions. Right now the personal exemptions in this state are \$1,130 per individual. The federal exemption is \$2,000. Now if you recall, last year