

We know that original estimates on LB 775 when those tax credits would kick in, we know those are somewhat delayed and so corporate income tax is not as down as we expect, not as down at the rate we expected and so I think it just...it has to be stated for the record once again that the money that the "surplus" the state now has, only a fraction or a percentage of that is due to any change in the tax structure of LB 773. There's a lot of other things driving that. I think it's important the people of the state of Nebraska understand that there's a lot of reasons other than 773, the state has more money on hand this year. I think that's something I just want to point out for the record and has to be drummed in time and time again. People always like to think that the surplus is so great because of the fudge factor that was originally \$8 million has grown to 200 to \$300 million and that's simply not the case. I think, as I said on General File, I, myself opposed LB 773 two years ago because I thought it unfairly...was unfair to the low and middle income. That's the reason I voted against it two years ago and for that reason we have a chance in my opinion to restore equity to the tax system in LB 739 in its original form. I will be supporting it, but I will be once again opposing Senator Wesely's amendment. I want to reiterate the irony of Senator Wesely is the one bringing it, bringing forth an amendment to give all the money back when he also has a lot of spending bills on the table, but I also want to point out strongly once again, that all the money or however you want to refer to it as, the money, the increased money the state has is not entirely because of LB 773. There's a variety of other factors that have to be considered when we look and see why it is the State of Nebraska has more money this year than expected.

PRESIDENT: Thank you. May I introduce some guests of Senator Dennis Byars in the north balcony. We have 28 third and fourth grade students from Adams Public School in Adams, Nebraska. Would you folks please stand so we may recognize you. Thank you. And our doctor of the day is in the rear of the Chambers, Dr. Blomgren of the Lincoln Family Medical group. Thank you, Doctor, for taking care of us today. We appreciate it. Senator Hall, please, followed by Senator Nelson.

SENATOR HALL: Thank you, Mr. President and members. The amendment that Senator Wesely offers with regard to the shift in the tax rates is one that I think would incorporate many of the original provisions that not only LB 739 had, but also LB 773 and is very similar to amendments that I offered to that bill