

doubt the figures that she said, but we're talking about federally adjusted gross income and, of course, Senator Hall was talking the other day that is tax free bonds and so on that are not taxed on the taxable base. On the federal level I'm actually surprised that there could even be 1,200 people in Nebraska, maybe or maybe not qualify. It is a very technical formula and social security pension, first place is the credit cannot exceed their income. It is reduced by one-half of the amount of their adjusted gross income above \$7,500 for a single person, \$10,000 for married persons and it is a very complicated formula. It is figured on combined income, credit basis, total pension exemption at the permanent level or permitted level. That's another thing. If you live apart from the taxpayer you have a little bit better ability to qualify for the credit. It sounds good and I don't know how many people know that there is also an earned income credit that goes up to \$18,400. You do not have to make...pay income tax. It's not necessarily a refund. If you never paid a dime's worth of tax at \$15,000 level and had earned income and you had dependents, you then would get money back and it's a big amount of money for \$18,400 it's 824 or \$836 that is refunded to you. So I would like to have...or Senator Smith respond, if the Revenue Department actually told her how much they would have to have to figure this little credit in. I tried it on a corporate issue that happened to have come up the morning when I was off the floor and they told me it would cost a tremendous amount to change their computers and so on which was a tax that rightfully should have been refunded, but they said the cost was way, way too much to change their system. Did they give you that figure?

SENATOR SMITH: I didn't ask them for it, Senator Nelson.

SENATOR NELSON: Thank you. As all I've got to say is it sounds good and so on and so forth, but I am really shocked that even 1,200 people could qualify and if they do, it's a very, very minimal amount. I don't deny their figures at all, but it's something that sounds good. As Senator Smith says, maybe appeases a few people, it does absolutely nothing hardly.

PRESIDENT: Senator Hannibal, please.

SENATOR HANNIBAL: Thank you, Mr. Speaker. I'm pleased that Senator Hall said what he said about the facts of the case and kind of echo what Senator Smith was saying that this is not a big gimmick for a high-income, high-sheltered person and rather