

SPEAKER BARRETT: Motion fails.

CLERK: Mr. President, the next motion I have is by Senator Schmit. Senator Schmit would move to return the bill for specific amendment. Senator Schmit's amendment is on page 2417.

SPEAKER BARRETT: Senator Schmit.

SENATOR SCHMIT: Mr. President and members, I've discussed this amendment several times briefly and I recognize the futility of what I'm about to attempt, but that does not mean that I should not place in the record things which I believe are important. The amendment which I am proposing here is not really my amendment. The amendment was discussed by the four gentlemen who have worked long and hard on this bill and, for a variety of reasons, some of them good and some of them, I guess, practical, it was rejected. But the reason I want to discuss it is because I believe it is a much more fair amendment and I will tell you why. The amendment, as I have proposed, provides for a 20 percent credit of your property tax on...to be credited against your income tax. Actually, the fiscal impact of that would be somewhere between 125 and 150 million. So if, by some fluke, someone thought this was a desirable procedure, we'd have to cut that 20 percent to 10 percent, but I didn't know that until I copied Senator Hall's amendment and then worked out the fiscal note. The reason that I believe this is a preferable amendment is the one which I stated this afternoon. You just rejected the Warner amendment which would return 57.6 million dollars to the taxpayer directly and leave some money in the bank. Under this proposal of returning 98.1 million to the taxpayer, you actually only will transfer permanently to that taxpayer a portion of that 98 million. Since we all know that the property taxes are a direct deduction against your federal income tax, if you pay a thousand dollars property taxes, you deduct that from your federal income tax and you can calculate what percentage of that amount that we return will then be actually yours to keep, somewhere between fifteen and thirty-two or three percent. Let's just take a conservative average of 20 percent, which means that you really are only going to return to the taxpayer about 78 million dollars out of the 98, not that much more, in a way, than what Senator Warner proposed. Now the other question is this, who paid the tax? Under LB 773, a bill which may or may not have been responsible, I choose to believe it was responsible for a portion of the increased tax collections, we