

to have a tough time going out to our constituents and saying, look, I voted for 739 and that gave you back the tax increase that we took away...that we imposed upon you in 773. It's not going to wash. People are not going to believe it. They're going to look at their tax returns next year and see that 739 did not reduce their taxes in the proportionate amount of which their taxes were increased two years ago. So whether it passes or not I don't think, politically, for us as body or for anyone else it makes any real difference as far as the tax issue is concerned. But I would respectfully ask that, at this point, you bracket the bill until we get the veto message back on LB 813 and LB 814 and then we will have a much clearer picture, then we will know how we wish to proceed as a legislative body. Thank you.

SPEAKER BARRETT: Thank you. Discussion on the motion to bracket until the 813 and 814 veto messages are received. Senator Hannibal, followed by Senators Moore, Rod Johnson, Schmit and Langford. Senator Hannibal.

SENATOR HANNIBAL: Mr. Speaker and members of the Legislature, I rise to oppose the bracket motion. It's important for me to continue to put into the record every time people say, we knew we were raising taxes and we wanted to raise taxes when we voted for 773 that that was not the case. And all those great quotes that we just heard from Senator McFarland on debate on 773, I could pull out some other ones as well, but I think if you will read those in context, you will find that we were talking about what has more recently and even then called...become called the fudge factor, an 8 to \$10 million fudge factor. Why did we have it there? Because we were in the midst of a major federal readjustment of their tax program, federal readjustment. We, at the same time, were going to go into a completely new system of state taxation. It was not at all unreasonable for us because we were in the midst also of some budgetary constraints. It was not at all unreasonable for us to say, if we're going to err, let's make sure we don't paint ourselves into a worse box than we have been in through budget cut times just the year before. So we had a fudge factor, 8 to \$10 million. That was not a tax increase. When we found out that the next year that we did have the increased receipts and indeed that fudge factor was there, and maybe there was more but we did not know, we passed LB 1234. Most of you in this room passed LB 1234. And what did that do? That raised the federal deduction or the standard deduction for our citizens. It helped practically every taxpayer in the