

very aware of the fact that our Constitution is much stricter than Minnesota. And when I ran into this, it was a point of I think Minnesota helped farmers or something, reduction of loans or interest, or something on the money. Someone asked me, why can't Nebraska do that? I did research that a couple of years ago. Nebraska could not do that. It says very specifically, and so I'm not to say whether Mr. Mosher is right or Mr. Mosher is wrong, I just want to point that out to you that our Constitution is much stricter than Minnesota. Sometimes around here I honestly think that we should just tell Minnesota to come down here and pass our laws for us or just rubber stamp them, and we're going right down the line. I don't know why we're here working anymore even, I guess kind of tongue in cheek. Senator Hall, you...if I read the bill, I'm assuming on your Nebraska income tax return this would be adjustments to income. Right? Nebraska deductions for adjustment to income. By the bill, I have a little question, but I think I have it figured out. Every resident individual shall be allowed to subtract from federal adjusted gross income the actual amount paid to others, tuition, books, so on and so forth. All right. Let's take an average family of, and a lot of these are four children, so we're talking about four or five thousand dollars reduction in their taxable income. Then let's talk about the family that is making \$20,000, we're opening up a bigger area, if that's the case, and I'm not sure the way the bill is written. I'm assuming if it comes off the Nebraska adjusted income, this will not apply, otherwise it will. If our earned income goes from 19,000, I'll say, that's where the last of the credits phase out on earned income credit, if you have a dependent child. Let's go down then to 15,000, or if it goes down to 10,000, then there is approximately \$900 given back as earned income credit. So that actually is far more valuable than the tuition credits. So I...Can you answer that for me now?

SENATOR HALL: All I can tell you, Senator, is that the provision, as I think it's laid out probably more clearly than I can explain it in the handout on the first page of how the expense deduction would work, and you look at the taxable table, look at the income there and you show the twenty-two, seven, and you show that the \$2,700 in income would come off the top with regard to the taxable income. So it would be off the gross income and it would be prior to figuring what the taxable income would be for that...

SENATOR NELSON: But we can't allow taxable income to the