

federal, can we?

SENATOR HALL: It would not be...

SENATOR NELSON: This is state, so I don't know as your...it would be back to the...when your Nebraska return, and your Nebraska adjusted income then. This doesn't really address...1040.

SENATOR HALL: Well, Senator, I think the Nebraska return uses the federal adjusted gross income as a base at which it starts.

SENATOR NELSON: It starts and then Nebraska adjustments to that income.

SENATOR HALL: Correct, correct.

SENATOR NELSON: Correct. And I'm assuming that that's where this would be then.

SENATOR HALL: That's correct.

SENATOR NELSON: And the earned income credits, I get in trouble when I assume things, but the earned income credits then, in that case, would not apply.

SENATOR HALL: Not to my knowledge, but in this case, we're dealing with the deduction that would be from adjusted...

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: One minute.

SENATOR HALL: ...federal adjusted gross income, which is the base at which Nebraska income tax liabilities begin. And it would come off the top of that so that it would be prior to any tax liability to the State of Nebraska.

SENATOR NELSON: If that's true, they would not apply, I can tell you that.

SPEAKER BARRETT: Thank you. Senator Abboud, would you care to discuss the advancement of the bill?

SENATOR ABOUD: Yes, Mr. President. Mr. President, colleagues,