

work the same, regardless of when that income tax rate goes into effect. Now, yes, if there is less money received from a rebate in a year, which that doesn't really make any difference, there would be...the first year property taxes would be higher than they would be in the second year, thus the phase in. And so if Senator...have I answered your question, Senator Warner, that the formula will work the same way, because that formula is based on income tax data from, I believe, I believe it's '88-89. If I'm incorrect on that I will correct it later.

SPEAKER BARRETT: Senator Hefner.

SENATOR HEFNER: Mr. President and members of the body, I rise to oppose this amendment. I think it would be unfair to the citizens of Nebraska to go back a half a year and pick up the extra income tax. It's going to cause a terrific hardship on some of our wage earners and also on some of our other people, because they have adjusted the rate of their income tax now in their budgets, and here we're changing it in the middle of the year. I see no reason to rush into this. If this bill is a good bill, I think the proper time to levy that increase in the income tax would be January 1, 1991. Then we could start withholding it at the correct rate. Also, if there is under withholding, then this taxpayer is going to have to make it up at the end of the year, there again causing a terrific hardship on some of our families in Nebraska. So, I would urge you to vote against the Warner amendment and go with it the way it's in the bill.

SPEAKER BARRETT: Thank you, sir. No other lights on. Senator Warner, would you like to close on the adoption of your amendment.

SENATOR WARNER: All right, Mr. President, members of the Legislature, the argument against this, as I understand it, is primarily that you'd have a doubling of the withholding tax for the balance of the year, for six months. And I certainly would imagine that is probably true. There would be another option, if you want to fully fund the bill the first year, I suspect it could be used without a double withholding. You could have a surtax added at the end, which would become either a smaller refund, or more likely it would be additional tax to pay on April 15th, or whatever due date of a particular state income tax might be. That way you would avoid at least the doubling the withholding, but you would not, obviously, reduce the amount