

persons who we were trying to entice to remain in the state by the passage of LB 773?

SENATOR WITHEM: I don't think so.

SENATOR SCHMIT: You don't think so. How much will it increase their taxes on a \$150,000 income?

SENATOR WITHEM: It's 17 percent.

SENATOR SCHMIT: From what?

SENATOR WITHEM: From whatever the applicable number is now, 5.9, I think, might be what the applicable number is now.

SENATOR SCHMIT: But you don't know how much of that \$150,000 is going to actually be transferred into tax increase?

SENATOR WITHEM: Seventeen percent of what their tax liability is now.

SENATOR SCHMIT: Is there someone perhaps on the staff who have worked on this diligently can tell me how much of that \$850 tax saving which was vitally important to the individual back in 1983, how much of that will be erased by this income tax increase? I would like to have that information if I could before the bill becomes law.

SPEAKER BARRETT: Senator Withem, please.

SENATOR WITHEM: Very brief comments on the Conway amendment, I believe it is an acceptable way out of the dilemma concerning the cash flow of this bill. If we wait and do not fund the bill in its entirety until next year, we decrease significantly the state aid dollars that will be flowing out to schools, we decrease significantly the property tax benefits. If we make it retroactive full increase for all of 1990, it will unduly burden the taxpayers. What Senator Conway, in effect, is doing is putting the income tax...the load of the...the burden of paying the increased income tax that's called for in this bill will go into effect on July 1 instead of January 1, is the effect of what he is doing and I think it's a good idea and I'm going to support it.

SPEAKER BARRETT: Senator Crosby.