

the credits apply to it, and then counting those credits against that income and the taxes that are to be paid on it. That's the problem with this. You get it into these individual returns and it broadens out, the spouse's income is included, other businesses that are involved, their income is included, and you wipe out all of it. So it is not a fair comparison to say this is no different than any other corporation, it is different. Another type of corporation pays corporate income tax or has that wiped out, but even if it is eliminated, you still have personal income from the wages earned, from the salaries earned, from the dividends earned. Those...so you end up having some type of tax paid in those type of companies. Here you eliminate the corporate income tax right off the front because of the structure...

SENATOR LINDSAY: Time.

SENATOR WESELY: ...and you eliminate the personal income that flows through. And I think that's wrong. Thank you.

SENATOR LINDSAY: Thank you, Senator Wesely. Senator Maurstad.

SENATOR MAURSTAD: Thank you, Mr. President. I only spoke on the previous amendment once and I only intend to speak on this amendment once, although I'm, no surprise to everybody, tempted to do more than that. I think that when we're talking about this particular amendment that's before us, we need to kind of focus in on the whole income tax structure that Nebraska has and who pays Nebraska income taxes. We have one of the most progressive state income taxes in the country. And according to the Department of Revenue, those earning over \$100,000, 3 percent of all the tax filers, pay 28 percent of the total tax liability. Those earning over \$50,000, 16 percent of the population that filed income tax returns, pay 60 percent of the total Nebraska income tax burden. On the other side of the coin, those earning under \$25,000, 57 percent of all the income tax filers pay 12.1 percent of the total Nebraska income tax burden. Those earning under \$15,000, 39 percent of our citizens that filed a tax return paid 3.4 percent. In fact, 149,030 Nebraskans paid no state income tax in 1994. And so I think we need to keep in context the impact that some individual proposals would have on the entire scope of our income tax system. I have to say that the jobs that were created in Gage County as a result of 775 would not have happened, in fact 775