

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

March 31, 2004 LB 1090

people more, it hits the young people more than it hits someone like me. But it's easy because we do not know how much sales tax we pay in a year. It's unknown to us, so we just kind of get nicked kind of like we get nicked a little bit. So to me, the best way to go is with the income tax, income tax. I passed out a sheet earlier this morning, I didn't know whether we were going to get to it, and what I have done is that my goal was to raise the rate, or to raise \$50 million. So with the different brackets, the current rate in the lower bracket is 2.51, we raised it to 2.72; 3.57 to 3.79; 5.12 to 5.36. But at the top bracket which kicks in in this state at \$46,500, we kept the rate the same, 6.84 percent. And so my goal was not to fund the low-level waste, but was simply to make up the difference that, and I...and the difference between the \$1.05 versus the \$1.10, the \$50 million. And that's what my proposal for two years, and that is what it does. It's interesting...a sheet that Senator Mines talked about this morning, about...and he gave me a booklet, that what we don't do in this state is we don't exempt any of the taxes on older people, military and so forth. So that is what kind of throws it off. And I got another sheet here that I'll...but I think our taxes in this state are pretty much in the middle as far as income tax are concerned, compared to other cities. But it's simply to raise, each year, to raise \$50 million to cover what I thought was a shortfall between the \$1.05 and the \$1.10. And that's the purpose of my introducing the income tax bill. Thank you.

SENATOR KREMER: Thank you, Senator Hartnett. Senator Combs, you're recognized to speak.

SENATOR COMBS: Thank you, Mr. President and members of the body. I have not weighed in on the budget bill, this section of it yet, and I would like to say that I did not support the increase in property tax. Again, I agree with Senator McDonald and others that I do not want to fix our budget problem with...on the backs of the property taxpayers. One thing that has not been talked about very much today is the blue book we've been given which lists the across-the-board reductions. And I still want to bring us back to that section of zero proposed across-the-board cuts, a rather large agency, Correctional Services. If you will recall, last week I mentioned the