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LB 478

SENATOR LANDIS: Mr. Speaker, members of the Legislature, the A bill with this amendment is about \$500,000. If we were to assume that that means the taxes that we would forego, the only way that we would do that is because, if we were to pick, let's say, 200 people as a number, there would have been \$8 million of income before there would have been a dime of the exemption. So there would have been \$8 million of income for which income taxes would have been paid. Then the exemption starts to kick in, but at \$2 of income for every \$1 of exemption. At \$500,000 of tax exemption, that winds up being \$20 million of income which you would have to have to get the tax savings. So at a foregoing of \$500,000 of retirement pension taxes, we would get roughly, at a minimum, \$30 million of income to workers which would be subject to Nebraska taxation. We don't wind up losing money, not at \$30 million of income which is subject to the income tax at its highest levels, by the way, because these are high-level wages, because we happened to forego \$500,000 of pension taxation. What I'm saying is the bill pays for itself by creating high or creating the conditions for high-wage jobs for which there will be plenty of income. What this does is it keeps people who could be on retirement in the workplace at high-wage jobs. There are now over 100 of these jobs that are unfilled, and they won't stay here long if it can't get filled. They will go someplace else where they will be filled because these are mobile companies. I ask for the adoption of the Revenue Committee amendments.

SENATOR JANSSEN: Thank you, Senator Landis. Senator Smith.

SENATOR SMITH: Thank you, Mr. President and members. As I sift through the issues in the bill, I must say that I rise with great concern on the committee amendment. Perhaps it's because of the geographic proximity of my district to the geographic proximity of those who will benefit with the committee amendment. I can understand the intent. I can understand the need. I, however, think that narrowing it the way it has been narrowed is problematic. I know it's intended to help the defense contractors, and they do good work as far as I'm concerned. But I think we as a body need to understand that if we're going to help, attempt to help, someone along the way, it needs to be applied in a broader manner. It's interesting. In