

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

May 25, 2005

LB 478

gain, again, in income taxes on that retirement salary. That's a salary...or, a retirement benefit that is going to another state currently. So I believe the dollars and cents tell us that this bill pays us. If in fact it's not significant enough relief, tax relief, to lure these people here, then it won't cost us that way either. But I think we should go forward and try and see if we can in fact grow this industry in Nebraska. I think the more we diversify our economy, the stronger our state will be. Thank you.

SENATOR CUDABACK: Thank you, Senator Redfield. Senator Smith, on the Cornett amendment.

SENATOR SMITH: Thank you, Mr. President and members. As we are facing this issue, and certainly, listening to Senator Redfield, whose neighborhood is in the area most affected by this policy, I guess I have to be selfish and say that I'm disappointed that my neighborhood does not also qualify. And it is hard for me to support a policy that targets such a narrow group of folks. I know, perhaps, they're probably deserving, based on their military status. But it is hard for me to say, and especially go home and say that we passed an exemption on taxes for military retirees, but here's who qualifies. And then they start to ask, well, how do you get that qualification? Well, if I want that job, do I have to move elsewhere? Or shall I just move to Wyoming, where there's no state income tax at all? So perhaps I'm being a little selfish and narrow-minded. But I think that when we look at exemptions, and for the purposes we're giving the exemption, which last I knew was for military retirees, we need to come up with a policy that is broader-based. I believe that it comes down to priorities here in the Legislature, as most cases tend to be. But let's come up with a policy, even if we have to make it smaller, make the benefits smaller, so that if we're going to start moving in a direction of a military retirement tax exemption, because we're one of only five states that does not recognize that, then let's pull it back, make it affordable, but make it broader-based, so that more folks can benefit from that, because that will include the folks in Sarpy and Douglas County, and that will include the folks in the 91 other counties as well that face very similar issues in terms of retaining residents of all incomes, not just