

some back. That may well be but I really don't see anything fair about collecting taxes from people and then figuring out some way to give it back to them because they happen to have children or don't happen to have children. I think that the Von Minden amendment is a way that I probably can support the bill, otherwise I can't support it at all. A \$20,000 income is probably a little bit low to raise a family on. \$25,000 income is normal. I wish everybody had that kind of an income in the State of Nebraska. So, therefore, I urge you to support the Von Minden amendment and if that doesn't pass I'm not going to support the bill.

PRESIDENT: The Chair recognizes Senator Marsh.

SENATOR MARSH: Thank you, Mr. President and members of the Legislature, many of you listened previously so you have heard the history. Originally the federal government allowed day care costs, a percentage of them, not to be taxed so that the family was not twice being charged for those dollars. Then what happened? The federal government changed the way they collected federal income taxes. Nebraska had a windfall. We did not change our Nebraska method. When the federal government changed their method they still allow but in a different way than they were previously allowing so that when Nebraska with our simplified income tax, which is piggybacked on the federal tax, we took the dollars away from those of our young families who needed this the most. It is not diluting Nebraska's tax base. We should not have had it in the first place. Will you listen to that again? We should not have been taxing those dollars in the first place. Senator Von Minden, originally, you are aware are you not, that the federal government and the state government did not have a problem when the federal government arranged for the dollars in a different way than they now are doing? Is that correct? It is correct, Senator Von Minden, that originally the state and the federal both allowed because of the mechanism for the dollars, for a portion of the dollars not to be taxed? Is that correct? Yes, that is what I mean. Originally this was part of Nebraska's total package and because the federal government changed the mechanism, instead of being a deduction it was changed into a credit