

SENATOR BURBACH: The fund the money comes...the first \$13 all of 1974 comes from the state general fund. In the Marvel amendment which I do not alter, in this amendment, would take the additional money from 13 to 18 \$5.00 from the fund established from LB772.

SENATOR KEYES: Well, the best thing that we can do fellow Senators is vote down both amendments one right after the other and get the bill like Senator Maresh had it before I even tried to mess it up.

PRESIDENT: Next to speak is Senator Nore.

SENATOR NORE: Mr. President, I would like to ask Senator Burbach a question if he would yield. How are we going to raise in case the Marvel amendment passes, how are we going to raise the twelve million dollars that we loose?

SENATOR BURBACH: Senator Nore, that is provided for by the amendment of Senator Marvel's in the additional sales tax to be gathered for the state aid to education.

SENATOR NORE: It comes out of 772?

SENATOR BURBACH: It comes out of 772 or it may be in addition to 772.

SENATOR NORE: How are you going to raise the several million that the 300 by Senator Maresh? By higher income-sales tax?

SENATOR BURBACH: No, it is not. It is a credit against your income tax for the sales tax that you are now paying for your groceries. For all practical purposes groceries in the state of Nebraska are exempt. You get that refund. You are entitled to have by the policy established in 1967, that if you had the credit and the refund for the amount of money that you paid for groceries and this is because of inflation. Not because of a change in tax rates, up to this moment.

SENATOR NORE: What does each \$1 increase, what is the impact?

SENATOR BURBACH: Approximately one million and four tenths people in the state of Nebraska not all of them qualify for a tax credit or a refund because some of the people are in institutions or residences where the tax is already not collected. There are some people who do not ask for a refund. So it is somewhat less than a million and a quarter dollars, for each one dollar.

SENATOR NORE: We will raise that by a raised sales-income tax. Is that right?

SENATOR BURBACH: Now No, there is no increase in sales and... there is increase in the price of groceries Senator Nore.

SENATOR NORE: Are you sure of that? For the future?

SENATOR BURBACH: I'm speaking of today and the next body in 1975 can lower it to \$5 if groceries go down that much.

PRESIDENT: Next to speak is Senator Warner then Senator Syas. Senator Warner.