

SENATOR LABEDZ: Thank you, Mr. Speaker. Of course you know that I will oppose LB 608 and I hope everyone is listening because there no longer will be a homestead exemption for the elderly or for the handicapped or the disabled. It will now be under a homestead property tax relief and what happens, the county assessor now sends out the property tax bill to everyone. Those that are eligible for a homestead exemption get a credit on the tax due depending on their income. That would depend also on the percentage of exemption they receive. It has taken the county assessor out of it entirely. It now goes to the Nebraska Department of Revenue and this is what would happen. If that bill was in effect today, 1980, the elderly or the disabled would file for a refund of their taxes, and if it was in effect this year of the taxes they paid in 1978 and this is the way it would work. Before April 15th they would have to file say three income tax returns, the first one if they've got taxable wages of any kind even if it is four or five hundred dollars, they would have to file a federal return to get their refund back on their withholding. If they don't have to file a federal return, that knocks out one. They would have to file a Nebraska return in order to get the food-sales tax credit. They would have to file another form, whether you call it another return or another form, it is a household income tax or a household income form. It is not a tax form. On that form they would have to list all the things that we mentioned before. They would have to list the capital gains, strike benefits, support money, cash public assistance and relief, the gross amount of any pension or annuity, social security, railroad retirement, state unemployment, interest received from federal estate, workmen's comp, loss of time insurance, gifts, and any income they receive outside of their own income, say for instance families living with them and according to Senator Newell we would have to have an arrangement with them which I think is impossible to do and do it truthfully. So if this was in effect in 1980 they would have to file this household income tax or income form on the 1979 household income to get a refund on their 1978 taxes that they paid in 1979 and they would get that refund in 1980. Now I am told that when the elderly and the disabled receive this form their entire tax amount will be shown on that form. There will be no exemption, no credit. They would have to file that form before April 15th, early in January in order to get a refund from their 1978 taxes to help them pay their 1979 taxes that they pay in 1980. Now that sounds very confusing and I am hopeful that I understand it correctly but think what is going to happen when you have to explain to the people that it is going to involve three years actually. You file in '80 for a refund of your taxes on '78 but you do