

has offered is an amendment to LB 10 which will cause LB 10 to conform totally to the Governor's bill and to the Governor's call. Because the amendment makes the bill conform to the call, I support the amendment and I would ask you to do the same. I suppose Senator Warner and I might have some disagreement in the last analysis as to which bill LB 10 or LB 35, I guess that would be the Governor's bill, is the better bill for us to ultimately deal with. For my money, as long as we let seven days go by, it doesn't make a nickel's worth of difference. We can do either LB 10 or LB 35. But in any event, LB 10 at least ought to be amended to conform to the Governor's call and that amendment would simply limit the tax increase to the 1985 tax year and not have it extend to the '86 or subsequent tax years, which is what LB 10 originally had in it. I do support the amendment.

SPEAKER NICHOL: Thank you for your explanation. Senator Hefner, please.

SENATOR HEFNER: Mr. President and members of the body, I believe this amendment calls for a 1 percent increase in the state income tax. Is that correct, Mr. Clerk?

SPEAKER NICHOL: Yes.

SENATOR HEFNER: Okay, I am opposing that because this would increase the state income tax from 19 percent to 20 percent. And I believe it goes back retroactive to January 1, 1985. I think this is unfair to the wage earners in Nebraska and the reason it is unfair is because they have been depending on a rebate from the state. In other words, many of them believe that they will get a check from the State of Nebraska when they file their 1985 return. If we pass this bill, they will not receive that rebate or check. They will have to pay into, they will have to pay to the State of Nebraska an additional 1 percent and I think this is unfair. This would be about like if you were in business and you have done business with your customers all year, then you would assess them greater percentage of the business that they have done with you because you say, well, we ran short at the end of the year. And I think this is wrong. I feel that we should have cut the budget 4 percent. This is the easy way out. What we are saying to the people in Nebraska, we are willing to tax you, we are willing to keep spending even though we have very difficult economic times in the