

April 3, 1986

LB 1027

probably is to have the broader tax base and to tax this kind of a transaction. So I oppose the amendment.

SENATOR CARSTEN PRESIDING

SENATOR CARSTEN: Senator Eret, please, on the Johnson amendment to LB 1027.

SENATOR ERET: Mr. Chairman and members, I rise to support Senator Rod Johnson's amendment on LB 1027. I think that the practice has been to maintain the state's revenues from a reliable source and I think the flurry of farm sales that are up now are something that is out of the ordinary. They do not represent an ordinary transaction. I think were this sort of tax to have been in effect years ago, it probably would have affected those sales by people that were retiring, that were selling a depreciated worn-out set of equipment, and from those sales some small amount of revenue could have accrued. However, now we are in a situation where there are many farmers, young farmers, who have acquired a line of farm machinery that was expensive. They did pay their taxes on it and now being forced into sales they are paying...they will be the ones having to in effect pay the same tax the second time and have it taken away from the proceeds that they so drastically need to try to settle their accounts as they are liquidating out of their farming operations. I think this is the worst time to bring in this sort of a tax, to have it imposed, and I think it is time that we at this time see to it that we do relieve those people of this unnecessary tax on them. Thank you.

SENATOR CARSTEN: Thank you, Senator Eret. Senator Nichol, please.

SPEAKER NICHOL: Mr. President and members of the Legislature, I certainly rise to support the amendment. I don't know why we are picking on farmers. We don't pick on anybody else. When you buy something, clothing, yard sale, all of these things, do you pay taxes? Heavens, no. So why should a farmer who has bought machinery pay again when he sells it? It is ridiculous. I certainly support this amendment and think we should do it.

CLERK: Thank you, Senator Nichol. Senator Lundy, please.

SENATOR LUNDY: Thank you, Mr. President. I rise to oppose this resolution and to oppose Senator Nichol's statement that we are really socking it to the farmers. I don't feel that way at all.