

April 13, 1981

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Senator Goodrich. If you have your Journals on your desk, I hope you will take a chance...take an opportunity to turn to page 1342. That is page 1342 in your Journals, and I also will probably be reading this in conjunction with the Newell amendment which appears on 1412. So you might make a note of those two numbers. The amendment that I am sponsoring along with Senator Goodrich appears on page 1342. It is in lieu of the committee amendments and so our motion actually is...should be seen as a rival to the motion made by Senator Carsten to adopt the committee amendments. In fact, this amendment replaces the committee amendments with new language and just reading those two sentences will, in fact, be the whole idea that we are striving for with the amendment. In essence it says, "Manufacturing and processing equipment purchased for use directly in new, diversified, or expanded manufacturing or processing operations located in a manufacturing facility and specifically excluding equipment acquired to replace worn out equipment". That is the exemption from the sales tax that we would urge the body to adopt. Notice if you will that some of the same assumptions that the committee, the Revenue Committee made, are retained, this excludes farming and ranching operations, and in that sense we share the same assumption. Where we part company, however, is with respect to whether or not the exemption will apply to new construction only. As you can see, the Landis-Goodrich amendment seeks to expand the concept of the exemption to not only new construction or new industries but industries in place who are adding to their operation. Notice that this is not the replacement of simply worn out equipment, equipment out of date, obsolete that is replaced by additional equipment, but, in fact, the expansion of the plant, and as the expansion of the plant and therefore probably the expansion of jobs occurs, this exemption goes into place regardless of whether we are talking about a new manufacturing plant in Nebraska or an existing manufacturing plant that is seeking to add a new line perhaps to retool to produce a new product or to expand or diversify their existing plant. That is the philosophy of the Landis-Goodrich amendment found on page 1342. We, in Nebraska, have been very proud of the fact that we have been by all accounts the best business climate in the country. That fact has been regaled upon us by a number of local pundits and legislators and we are proud of that fact. Here in the City of Lincoln we are also very proud of the fact that we are an all American city based on the environment, based on our employment figures, based on the education facilities, based on our community of resources and the like.

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