

April 13, 1981

LB 3

SENATOR LAMB: Mr. President and members of the Legislature, I have listened to this debate but I have a question for Senator Landis if he would yield, please.

SENATOR LANDIS: Yes, Senator Lamb.

SENATOR LAMB: I would like to ask a question which would give me an answer that I haven't gotten from all this debate. If I have a factory which manufactures and I have a machine that manufactures say a hundred buggy whips a day, but my machine is worn out now and so I buy a new machine which but this machine will manufacture a hundred and fifty buggy whips a day, do I get this favorable tax treatment on this total machine even though it is doing both things? It is replacing a worn out thing and it is also increasing my productivity by fifty percent.

SENATOR LANDIS: I would say no. In other words, if it is a strict...if it is simply a more efficient machine that does the same operation, no, I don't think so. What we are talking about here is, we are talking about new diversified or expanded operations, and I think all that is is the replacement, although with a slightly higher productivity of exactly the same function.

SENATOR LAMB: But it is expanded....

SENATOR LANDIS: The function does not change.

SENATOR LAMB: See it's expanded because in looking at your amendment it says, expanded equipment, equipment that would expand my business would be eligible. So I am expanding it from a hundred buggy whips up to a hundred and fifty. That's clearly expansion. On the other hand, it is replacing the machine which produced only a hundred a day. So it is doing both things, it's expanding, it's also replacing, so how does the Department of Revenue determine whether or not I am eligible?

SENATOR LANDIS: Let me answer the question, and that is that when this amendment gets interpreted and they take your opinion and my opinion and weigh them, they are going to give my opinion more substance than yours because my name is on there as an introducer. That is simply the matter of legislative history and the ways that you use legislative history in defining what language means and that is the introducer's statement of purpose or intention governs. So it's between our two definitions the Revenue Department will look to my words