

the statute in court. And I think the other thing it does is that it prevents us from having to attempt to try to pull that exemption off the books should we find out that it is not something that will be even a temporary solution to our problem. So we won't have to, in 1991 or '92, fight the lobby to try and take the exemption off the books if it's something that we need not provide if it doesn't work. Section 3 provides for the exclusion of the value of the railroad rolling stock from unit value. This is the issue that I mentioned earlier that talks about the book value. The original draft of the bill provided that the 75/25 split be calculated as an exemption but it did not take it off of the value side of the railroad rolling stock. We would allow for this to show up on the valuation side. Senator Warner, I know, has an amendment to this. I think Section 2, the sunset, and Section 3, the provision with regard to how you determine value are probably the two substantive issues in the bill that remain from the original draft. Section 4 through 6 removes the current sales tax exemptions for the purchases of railroad rolling stock, repair parts, special fuels for trains. This is the amendment that Senator Haberman presented to the committee, was adopted in Executive Session. It is projected to raise approximately \$11 million. If you would remember LB 6 that Senator Haberman introduced in the special session, it reflects that bill. The effective date would be January 1 of 1990. The committee statement has a mistake in it. It's a typographical error and it has July 1. Section 7 would impose a 16 percent corporate income tax rate increase. This would also be effective January 1 of 1990. This was brought to the committee by Senator Landis, was adopted as part of the committee amendments to the bill. It would raise approximately \$12 million in revenue. The purpose for both sections...both amendments, the sales tax exemption removal as well as the increase in the corporate income tax were to offset the cost of the exemption that Sections 1 through 3 provide for. Section 8 is the retroactive provision to January 1 of 1989. It provides for that retroactive date throughout the sections that pertain to rolling stock exemptions. And then it's followed by sections that deal with the severability and then the emergency clause. With that, Mr. President, I know that Senator Warner has a motion up to ask for a division of the question and I would deal with that at this moment.

PRESIDENT: Thank you. Senator Warner, please.

SENATOR WARNER: Yes, Mr. President, I did ask for a division of