

the borders of the State of Nebraska, and it, frankly, to be real honest with you, as I always try to be, it is one that is going to help the small businesses out, and big businesses that happen to have a lot of property would, of course, pay to a greater extent. They, frankly, under the proposal that is in the amendment before you, excuse me, the amendment, not the amendment to the amendment, but in the Governor's proposal, is beneficial to the larger entities at the expense of the smaller businesses. I heard much talk about how we need to take care of small businesses, small farms. I concur with that. I think that that is a very appropriate way to address this problem. And we need to make sure that we don't inflict on them a greater share of the burden than they would have had had personal property tax stayed the way it was. This amendment does that, it works toward that end. And it says that those at the top and those large companies that have large value here pay in proportion to that value. So it doesn't mean that a small company doesn't pay in proportion to the value of the property that they have, they do as well, they pay at the same rate, no difference in the rate. But what we're able to do, through this amendment, is use property as the base, reduce the rate and, I think, have a fairer system, a more equitable system for business, whether they be big or small throughout the state. I would urge adoption of the amendment.

SPEAKER BAACK: Thank you, Senator Hall. Senator Will, on the amendments.

SENATOR WILL: Thank you, Mr. Speaker, members of the body. I rise in support of the amendment that I signed, along with Senator Hall. This amendment essentially, Senator Hall gave you a very good description of what it does. Essentially, this is the logical extension of the depreciation surcharge that the Governor put into his amendment. The depreciation surcharge was put in because we are exempting property, that's what this proposal is saying, we're going to exempt property from the property tax base. The depreciation surcharge is a logical way to make up for that exemption, because what it does is put a surtax on property as it is depreciated off your income tax. So, it is going back on property, although not in a value based sense that would make this proposal constitutionally suspect. What this amendment does is it simply says that when you apportion the income that is being declared by those corporations that are taking this depreciation off their equipment, that you use the property only formula to do that.