

February 21, 1992 LB 1063, 1120

occur. But that they do on the average of somewhere between 7 and 9 million dollars is probably a likely number that's going to deplete this anticipated receipts. Even though you tax it, you're not going to get it. But aside from that, I think there is a very serious constitutional question whether or not you can depreciate or add in as an expense until your income tax depreciation, and then turn around and...and do what this bill says, call it income and tax it. I think it would be a serious mistake. I don't think it's valid, I think it ought to come out, and I support the amendment.

PRESIDENT MOUL: Thank you, Senator Warner. Senator Nelson.

SENATOR NELSON: Yes, in response to Senator Robinson's question, I don't see Senator Robinson on the floor, residential real estate property, 80 percent of that has to be residential units. That is depreciated over 27 and a half years. If it is not residential real estate that now has to be depreciated over 31 and a half years. So in order to get to the \$100,000 level, there are some personal property that could be depreciated in there. But you're over about \$2.5 million on the residential real estate, a \$2.5 million investment, 27 years...27 and a half years. And elevators and escalators are included in that, and so are refrigerators and stoves. So there are some personal property that could be depreciated in that figure. So that gives you somewhat of an idea what we're talking about. I have no problem with Senator Kristensen's amendment in regards to the depreciation of the trucks or the semitrailers. Those are very expensive items, wear out shortly, and they are depreciated over a five-year period of time. So that is considerable difference. You take a \$5 million investment, you're up to \$100,000 investment credit, I mean depreciation. So we're not talking apples and apples at all when we're talking semitrucks and trailers and long-term real estate investments. I have no problem with Senator Kristensen, but I certainly do the...forgiving any...or just blindly forgiving the real estate depreciation, because we're not talking small developments.

PRESIDENT MOUL: Thank you, Senator Nelson. Senator Moore.

SENATOR MOORE: Madam President and members, the only, well not the only thing, there are several things, but the thing that is almost going to be amusing, because many of the arguments you're going to hear criticism of 1120, might as well have transcribed and I'll just read them back when we debate LB 1063, because