

February 21, 1992 LB 353, 915, 1008, 1042, 1052, 1120, 1176, 1208  
1242  
LR 245

CLERK: Madam President, your Committee on Government, whose Chair is Senator Conway, reports LB 1042 to General File with amendments; LB 1208, General File with amendments; LB 1242, General File with amendments, signed by Senator Conway. General Affairs reports LB 915, General File with amendments; LB 1052, General File with amendments, signed by Senator Schellpeper. Study resolution (LR 245) offered by Senator Rod Johnson will be referred to the Executive Board. Amendments to be printed by Senator Lynch to LB 1008, and to LB 353, Senator Chizek to LB 1176, Senator Elmer to 1176. (See pages 937-45 of the Legislative Journal.)

Madam President, the next amendment I have to LB 1120 is by Senator Withem. Senator, AM2952. (See page 880 of the Legislative Journal.)

PRESIDENT MOUL: Senator Withem.

SENATOR WITHEM: Yes. Let me explain what this amendment does, and I believe Senator Landis, is that correct, Senator Landis wanted to say some things on this? The effect of this amendment...now this is an amendment, keep in mind this amendment adds back revenue. We are down considerably as a result of the last two amendments in the revenue that this bill has. This amendment adds-back replacement revenue. A number that I had heard, and I had not had this written confirmation from the Department of Revenue, but maybe as much as \$71 million impact if...for the depreciation add-back if this amendment is adopted. Simply does one of two...does...one thing that it accomplishes two different objectives. It eliminates the \$100,000 exemption on paying depreciation, the depreciation add-back. So instead of paying...having \$100,000 worth of depreciation on your federal income tax that you can claim and then pay state depreciation add-back on 100,001, that first dollar, you'd be paying it on all of the depreciation that you charged. The effect of this will be three-fold, three-fold now instead of two-fold, as I said before. Number one, it will...it will make the depreciation add-back, if you like it, a fair charge. It will make it reasonable. We will not discriminate large taxpayers against small taxpayers, it will apply across the board. And I think that will make it a more defensible sort of...sort of position. Secondly, it will deal, hopefully, with the 4-R problem, or make it less objectionable from a 4-R point of view, because it will not have the effect of treating