

quick, Senator Schimek.

SENATOR SCHIMEK: Okay.

SENATOR HALL: I don't have that right off the top of my head.

SENATOR SCHIMEK: Okay.

SENATOR HALL: But it is exempt now, and it is exempt under, you know, lawsuits and I don't go back and try to put anything on that the courts have declared to be exempt, and, basically, the railroad rolling stock was a 4-R issue and it is exempt.

SENATOR SCHIMEK: Right, okay, but my follow-up question then is, if we leave this category exempt, do you think that we will have more lawsuits from the telephone companies and pipelines, and do you think that there is a possibility that those, too, would be declared exempt, and if so, how much money are we talking about then?

SENATOR HALL: Senator Schimek, I guess I would respond by saying that they would be...there would probably be no more lawsuits than would be filed under a 3-R proposal by an individual who is subject to a net book value tax as opposed to another individual who owns that same piece of property and who is not subject to it. The whole purpose behind the constitutional amendment is to allow us the opportunity to create a tax system that we create, we decide to treat things differently in the area of personal property. I don't think that that is going to be a factor. They can go to court and argue that. The Legislature can then, through the Attorney General's Office, argue that the people, through the constitutional...the passage of the constitutional amendment, gave the Legislature the ability to do that. The purpose behind the retaining the depreciation add-back was really to get to the centrally assessed companies, and that is part of it. It gets to any company, though, whether it be ag or any other big business which doesn't happen to be a centrally assessed company with that \$100,000 threshold, but that is exactly where it is aimed at, so that those people do pay in. They don't get a free ride, so to speak, by implementing the old system in terms of the personal property and exempting out the railroad rolling stock. I guess I'd argue also that, you know, the railroads will go to court on the 3-R proposal. They have virtually said that, and whether or not they would be exempt is another