

it's important that you recognize something else. Senator Warner has warned us of the problems and the dire consequences of doing nothing. Ladies and gentlemen, the court did not rule on 829. The court has never ruled on that statute. The constitutional amendments we have adopted states that the Legislature may exempt all personal property from taxation and the court has never ruled on whether or not we could do that. Number two, the consequence which Senator Warner refers to of everything going back on the tax rolls is partly true also. 775 exemptions do not go back on the tax rolls. They are exempted by contract. Household goods does not go back on. What does go back on, there's inventory, livestock, farm equipment. I would suggest that if inventories go back on this Legislature will address the issue promptly and expeditiously because we know then that the major businesses in Omaha and Lincoln which carry large inventories will reason with their legislators in a manner which will make it seem less favorable to tax personal property. What we are doing if you advance LB 1063 to the floor is that you accept the premise that we are going to once again tax personal property. The taxation of personal property has been repudiated by the people, by the Legislature and by the courts in the manner in which we have done it. The 3-R plan supported by the Governor is recreating a system that has failed on all counts. It has failed on the basis of fairness. It has failed on the basis of ability to be administered and has failed on the basis of ability to pay. A personal property tax is the dinosaur of taxes and if this Legislature recreates the personal property tax, we are recreating the dinosaur of the tax program. Governor Nelson, certain members of this Legislature want to buy time. Previous governors have attempted to buy time. It is not the way to proceed. We started down the road more than 20 years ago to phase out personal property taxes and to rely less upon property taxes to support government. We should continue that direction.

SENATOR CONWAY: One minute.

SENATOR SCHMIT: Those who say the Scotty Moore amendment failed on a 23-25 vote and therefore it is done, many, many times on this floor, ladies and gentlemen, each of us have had much, many fewer votes than 23, but have still prevailed eventually. I suggest that the Moore amendment, Rod Johnson amendments all have merit. I would just suggest that perhaps Senator Landis, and I know that when I sit down to negotiate with Senator Landis, he is the master, but Senator Landis is correct, but,