

February 27, 1992 LB 1063, 1120

SENATOR HABERMAN: What are we discussing at this present time, the amendment, 3109, or 23?

CLERK: AM3123.

SENATOR HABERMAN: Then I wanted to talk on the other amendment...Mr. President, I would like to speak on the AM3109, please.

SENATOR CONWAY PRESIDING

SENATOR CONWAY: Senator Schellpeper, you are next.

SENATOR SCHELLPEPER: Thank you, Mr. Chairman and members. It has been real hard to try and get all these things put together this morning and trying to get it so that it will come out so that everyone can understand what we are really trying to do. If you will look at Senator Ashford's revised amendment that was passed out to you with the big bill, it says revised, what we are attempting to do is to, if you will just follow down, it will amend LB 1063 back into LB 1120. It will exclude the sales tax on farm equipment, not business equipment. It will exempt breeding livestock from taxation. It will put the one-half cent sales tax collection fee back in for \$6.7 million. And then it goes down to tax on services which are building maintenance, security and detective, other repair, management services, and lobbying. It is estimated that the sales tax exemption for farm equipment will be approximately \$20 million. The one-half cent sales tax collection fee will raise 6.7 million. The service tax will raise 17.2 million, so we have a total of 23.9 million raised and approximately 20 million lost on farm equipment. Now the breeding livestock is not taxed presently, so that figure we do not know exactly what it is going to be, but it is not taxed presently. But the 23.9 should be enough to cover the whole thing. What we are attempting to do here is attempting to get farm machinery off of the tax rolls, and I think if we can do that, there is a chance that we can find a compromise here. And as Senator Ashford said, this is a compromise amendment. We are not attempting to come in and to change LB 1063 with a distribution or anything like that. We are just saying that instead of putting a tax on farm machinery and breeding livestock, the farm machinery will still be taxed, but the sales tax will not be on farm machinery. So it is kind of a wash between those two, and if you will look at the Syracuse study,