

February 27, 1992 LB 1120

reason is that I have a real concern about...and I know it is difficult on the floor, but I have a real concern that we have a total concept that we are dealing with, and I can justify, speaking to Senator Coordsen's amendment, and most of these things have been said, but I can justify separating out ag equipment, as others have pointed out, on the issue of border bleed. You can justify it on the basis of, as has been pointed out, LB 775 and 270 which is addressed only to some business but nevertheless the concept is somewhat similar. Certainly, you can address it if we're talking about neutrality of impact and I want to at least...the figures I have so that...which I believe are correct. Under 1063, the numbers that I have as it is drafted with the amendment that was passed out this morning, the net increase to agriculture if railroads are not included in depreciable property which some of you believe. If they are not, the net impact is \$15.1 million. If railroads, however, as I believe are included in depreciable property and will participate, then 1063, as it stands, would have an overall estimated net impact to agriculture, 12.7. The current estimates of sales tax collections on new and used equipment is 14.6 million, \$14,630,000, to be exact. So a flat out exemption, just looking at the new and used equipment alone if you exempt it and if you assume that railroads will be covered, and I believe they will be by 1063, then the exemption of sales and income tax actually is greater than the impact of agriculture as a whole at least because of 1063, but it's only a couple, \$3 million and on the estimates that's not...perhaps that's not as big a factor. I do believe, however, that in the spirit of looking for compromise that I will vote for his, Senator Coordsen's amendment as an indication, but because it does not address the revenue side, it does not address the verification which I think is extremely important, of making sure that those exemptions are, in fact, taxed under personal property and the system I described earlier does that. And, more importantly, I'm really...I have a real difficult time to try and figure out how the Department of Revenue is going to draw definitions that can be used by an implement dealer as to whether something is farm equipment or is not. And we all know that someone could go in and buy a tractor that was going to be used to pulley a packing equipment on...

SPEAKER BAACK: One minute.

SENATOR WARNER: ...by a contractor. There would be the identical tractor that somebody else might buy to do road crop