

SENATOR WARNER: Madam President and members of the Legislature, the amendment, which I believe is in the bill book, is the...essentially, it is the bill as introduced with some technical amendments, after it was originally drafted, voted, the handout that was given to you the other day indicated it was a combination of three different amendment numbers, one of which is the one that's on file, 3048. And then it included the technical amendments that was offered at the public hearing, plus the amendment that changed the method of determining book value from using the depreciation schedules for different types of personal property included under the Internal Revenue Service to a state depreciation system so it was uniform as to the method of depreciation that would be used by all sectors as far as the...the definition of life cycle as well as the method of depreciation, type of depreciation for depreciable property. The concept in LB 1063, as you are well aware, is essentially dividing personal property into two classes, one of which would be depreciable property. The other nondepreciable property from that definition items that are nondepreciable such as inventory would not be subject to taxation under the amendment and property that is depreciable and with its life cycle for the period in which it would be taxable it would be included under the definition of depreciable equipment. As the bill is...or as the amendment is drafted and as the bill was conceptually drafted, it means that once an item was depreciated out that it would no longer have a taxable value and, as a practical matter, then would be exempt. The amendment, as drafted, also is a two-tier or dual system for this year. The one system would be the requirement for the filing of personal property tax valuations as required by current law which has a requirement, as you know, that those forms be turned in...the valuations of all personal property be turned in by March 1 which generally has been delayed to March 31st by a number of assessors, which they can do under the law, currently, but it is required that that value be market value or actual value as required. What the bill does in that respect is change those dates from March 31st with the change in the assessor's date that they're allowed to do to June 1st for the filing time. And the reason for doing that, of course, is on the assumption the constitutional amendment would be placed on the ballot and would be voted on in May and should that constitutional amendment fail, then the current law requiring all personal property to be put on the tax rolls at market value would be the law as required by the Supreme Court, and the filing date then would