

District 19 borders South Dakota, not too far away from Iowa, and so what we're doing when we're putting all personal property back on, we're putting our farmers and our small businessmen at a disadvantage with those in South Dakota and Iowa. Do we want to do that? I think the simplest solution would be take all personal property except motor vehicles off the tax rolls, replace it with a small increase in sales tax, small increase in income tax, at least the people can understand that. The bill that we passed last year, 829, a lot of people didn't understand that. And right now they're beginning to understand a little better when they're figuring up their federal and state income tax, because that 2 percent depreciation surcharge is going on. And so I think that at this time I would certainly like to encourage you to support the Hall amendment to the Warner amendment. Thank you.

PRESIDENT MOUL: Thank you, Senator Hefner. Senator Haberman.

SENATOR HABERMAN: Madam President and members of the body, I have heard a lot of talk about being fair, it has to be equitable, everybody has to be treated the same, no one wants to take advantage of anyone and it saddens me to see shall we say, the eastern establishment senators take advantage of the farmers. And I would like to give you some concrete examples as to how the farmer is going to be penalized. The personal property taxes under LB 1063, a business will pay for a \$3,000 computer, an \$800 fax machine and a \$400 office desk, a total of \$260, \$260 in personal property taxes. Isn't that a tremendous amount, \$260, over a seven-year period? Now a man in the construction business who uses a bulldozer, in five years will spend \$11,000 extra in taxes. A man who is in the construction business and has a bulldozer will spend approximately \$11,000 in five years on that bulldozer. Now the business man spends \$260 in seven years, but the bulldozer man spends \$10,975 in five years. Now let's talk about a farmer. The majority of the farmers cannot farm without a combine. The farmers nowadays purchase their own combines as custom combining is too expensive and they have to combine the crop when it's ready to go. So at a \$100,000 combine, and, folks, you're not going to get very much of a combine for \$100,000, in seven years the farmer is going to pay a total of \$5,783 in personal property tax, 5,000 plus dollars compared to \$260 that the business man is going to pay. And I can't understand how some people can say that that's fair. I just can't understand that. I have heard that the depreciation methodology is supported as an option as being