

some people's mind if you adopt this amendment it will dilute chances of an amendment passing because people will have a legitimate choice as to what tax policy they want to choose for Nebraska. Now for taking something to the people of the State of Nebraska, I think they ought to have a choice and not a gun to their head.

PRESIDENT MOUL: Thank you, Senator Moore. Senator Morrissey.

SENATOR MORRISSEY: Thank you, Madam President, members. Senator Landis, if you would. If, under 1063 as written, the constitutional amendment fails, your vision of taxation is what? If the constitutional amendment as written, 1063, and that fails, then what is taxed?

SENATOR LANDIS: If 1063 is passed, and the constitutional amendment is put on the ballot, and the constitutional amendment fails, 1063 is still the law and would continue to be operated until it was challenged. The challenge would argue that 1063 was not constitutional. The way in which it would be unconstitutional arguably would be that it does not satisfy the desire to tax or the necessity of taxing all personal property in a realistic sense. The way out of that, in my estimation, with that challenge, would be to find a way to tax the elements indicated in the opinion that would need to be taxed, which would mean you'd probably have to find a way to tax inventory. That would occur upon a successful challenge. LB 1063 would be the law of the state, but upon challenge my guess is that's the form of remedy that you would proceed towards.

SENATOR MORRISSEY: Senator Hall, the same question.

SENATOR HALL: Thank you, Senator Morrissey. The way I read LB 1063, or the amendment, AM3048, if you turn to page 77 and 78, specifically 78, on subparagraph 3(a), if the constitutional amendment amending Article VIII of the Nebraska Constitution is adopted in 1992, tangible personal property, not including motor vehicles registered for operation, shall be subject to taxation, unless expressly exempt from taxation, and shall be valued at its net book value. Okay. That's if it's adopted, the constitutional amendment. (B) If Article VIII of the Constitution of Nebraska is not amended in '92, tangible personal property not including motor vehicles registered for operation on the highways of this state shall be subject to taxation, unless expressly exempt from taxation, and shall be