

SENATOR WICKERSHAM: Thank you, Madam President. Just a couple of quick comments, I have heard some discussion here that revolved around the issue of whether or not you claimed a depreciation deduction on your federal income tax return, and whether that had any effect on whether or not livestock would have to be listed for purposes of assessment of personal property tax under the terms of the amendment that is before us now, 3048. As I read the amendment, it is not dependent at all on what you do in terms of your federal income tax return. There is simply a definition that says that if property is used in a trade or business, has a life of more than one year, it is property in the system and it is classified in accordance with the CFRs. You may elect or not elect to depreciate on your federal income tax return, but as I read it, it makes no difference as to treatment within the system. So from that standpoint, I think that some of the discussion we have heard about whether you can elect to have your cattle or your hogs or your sheep taxed by simply making some sort of an election on your federal income tax return is not correct. Senator Landis, I think, made some comments with regard to the 4-R Act and whether or not exempting livestock would create some problems with the 4-R Act. I would simply suggest to you that we will have no more problems with the 4-R Act because of an exemption from livestock than we will from the 775 exemptions that I think some other folks want to preserve. If we are going to exempt 775 property, we can easily afford to exempt some breeding livestock. I will support Senator Hefner's amendment primarily because I cannot see any distinction between raised breeding livestock and purchased breeding livestock for purposes of this system. Both of them have a similar function. Both of them would have a similar value, and if we do not treat them the same for purposes of the property tax system, I don't think it will make any sense to anyone, and I don't see anyone advocating that all of a sudden we put all those raised breeding livestock on to the personal property tax rolls. So I will support Senator Hefner's amendment. Thank you.

PRESIDENT MOUL: Thank you, Senator Wickersham. Senator Schmit.

SENATOR SCHMIT: Madam President and members, I think that Senator Wickersham has once again put his finger on the crux of the matter, and that is that we, as a Legislature, frequently pick and choose. He has pointed out that the 4-R Act is not going to be jeopardized any more by the livestock exemption than