

SENATOR LAMB: Thank you, Madam Chair. Now I have the old numbers and the new numbers. Before we got the state depreciation schedule, the Department of Revenue said that business equipment would be increased by \$2.1 billion statewide. Now with the new schedule in 1063, they are saying it is even-steven. The exact number is \$305 million gained, instead of \$2.1 billion gained. Now the ag numbers stay the same under the proposal in 1063, as was previously estimated using the federal depreciation schedule, \$1.8 billion. So by adopting LB 1063, we are reducing the valuation gain of business equipment by almost \$2.1 billion. Now Senator Warner says we cannot use the 179 exemption because it would not be uniform. Well, I say it would be uniform because it applies to everybody. It is a system. It is a system just like the schedule that is in 1063. It is a system. It does give a break to smaller businesses, to smaller farmers because after you get over \$10,000, why you have used it all up. So those small businesses, it makes a lot more difference to them than it does the large ones. So there is no reason we cannot incorporate it, as I see it, into the state system just as it is in the federal system, because although the Attorney General did say that we cannot use the federal system primarily because there are at least four different systems of taxation in that system, we are talking about one system here, but it would incorporate the 179 exclusion. So that argument does not make a lot of sense to me. Now, certainly there would be reduction in revenue or valuation statewide, but I think what we should look at is the fairness issue. If we can do that on the federal level, and the first proposal by the 3-R Committee was that we use the federal depreciation schedule and the 179 exemption is in there, why can't we put it in here now? Now it is not all that complicated. Senator Withem says you can't have a little amendment that comes up before the body and vote on in one day. Well, yesterday we had a complicated amendment to 1063, which none of us had seen until we got here yesterday morning, and, lo and behold, it was adopted. It was adopted in almost its entirety yesterday. So this is something that does need to be adopted. It would put us in line with the federal code and it would give small taxpayers a break, and I think that that is what should be done, and I hope you will adopt this amendment.

PRESIDENT MOUL: Thank you, Senator Lamb. Senator Wehrbein.

SENATOR WEHRBEIN: Madam President and members, I have some