

Schellpeper, Senator Warner, Senator Wickersham, and Senator Coordsen. Senator Warner. Senator Wickersham.

SENATOR WICKERSHAM: Thank you, Madam President. Over the lunch hour I had a chance to visit with Senator Coordsen about his amendment and in part it's very attractive to me and in part I think it creates some problems. The part that is greatly attractive to me is the concept of taking advantage of something like a 179 deduction, that is \$10,000 that you're entitled to exempt from the property valuation system in the year you acquire the property. And, in fact, I have an amendment to that effect that I was intending to offer on Select File. If Senator Coordsen's amendment passes, I won't do that, it would be unnecessary. But that proposal is one that is extremely attractive to me on a conceptual basis because it allows for those persons who are going to get into business, and I don't care whether it's a store in town or it's going to be a farm. Some opportunity to enter into that business and have a small incentive from the State of Nebraska and from the residents of their county and their other taxing districts to get started, to go into business, to take the risk, to make the investments and to help our economy grow. I think we have every reason to grant those kinds of incentives even though they may be in relatively small amounts. In fact, I favor granting those incentives in small amounts as opposed to the large amounts that we will sometimes grant to others. We will not blink an eye and give away millions of dollars but at the same time we will haggle and worry about whether we can give somebody a \$10,000 deduction as is being proposed by Senator Coordsen and as I intended to propose myself. In part, Senator Coordsen's amendment goes further than what I had previously thought I would be willing to do, but after discussing with him over the lunch hour I think I approve more and more of his proposed amendment. Senator Coordsen is concerned about what is going to happen to the property that is already five or six years old and will come into the system. How are we going to treat those people? They, in many cases, may have already expensed the property under the federal code. We have been talking about this as a depreciation scheme. We have somehow perhaps raised their expectations that if five years ago they expensed an item, that it will not be subject to tax under this proposal. As the proposal currently stands it would be subject to tax if it was seven-year property and only purchased five years ago. Senator Coordsen's amendment would take care of those folks in some small way. I think perhaps based on the expectations we have given them, they are