

purchase of property that would otherwise go on the tax rolls. Now, I have distributed this morning a sector analysis. It seems like we always want to know what the numbers are on these amendments and that should be on your desk. It does cause some shifts, but it's intended to because it is an exemption, but it is an exemption for a purpose and that purpose is essentially the same as the purposes behind the personal property tax exemptions in 775. We have a valid reason for encouraging small business to start up. We have every reason for encouraging small businesses to improve and that is what I think this amendment will do and that will be good for the State of Nebraska. Thank you.

PRESIDENT MOUL: Thank you, Senator Wickersham. Before we begin debate, I'd like to call the senators' attention to the area under the south balcony. A special guest today of Senator Joyce Hillman is Amy Stricker of Gering. Would you please rise, Amy, and be recognized. Welcome to the chambers today. Thank you. The speaking order now is Senator Warner, Schmit, Moore and Ashford. Senator Warner.

SENATOR WARNER: Madam President, members of the Legislature, I rise to oppose this amendment for another reason...from a number of reasons, even though I can appreciate the purpose for which Senator Wickersham has spoken. The whole concept in using depreciable property in 1063 is tied to two things, purchase price and date of purchase, to which you then apply the state depreciation schedule that is found in the bill. To make a comparison to 775 is not, in my opinion, too precise. Obviously, there's no performance requirement here. There's no recapture provision in the event of something changes with an operation, as is true of 775, and I think it would be stretching it to say that. But, more importantly, we're using...it has in its basis, at least in its inception rather, probably the Section 179, although it doesn't address that, obviously, under a federal income tax where you have a \$10,000 annual amount of accelerated depreciation. You can take and refer to it as an expense. In this case, I don't believe it would be proper to do...to move that, what is an income tax provision under the federal IRS, over to depreciable personal property at the state level. What it means is that indirectly you would have even a further accelerated depreciation schedule than what is provided for in 1063, as it is, and the result is then that you will have more than one, a lack of uniformity, Senator Moore. You will have more than one way of...of...or one method of depreciating