

two, depreciable and nondepreciable, as opposed to the hunt and pet...hunt and peck system of depreciation that we had. I should say hunt and pick, not peck, hunt and pick system that we had prior to the Supreme Court decision which clearly was unconstitutional because of the prohibition of special legislation that exists in our constitution and would not be amended with some of the proposals that you have supported.

SENATOR SCHMIT: Are we going to depreciate livestock at the same rate that we depreciate farm equipment?

SENATOR WARNER: You use the same form, but not the same class life.

SENATOR SCHMIT: All right. How are we going to depreciate laying hens that only last in production for a period of 14 months?

SENATOR WARNER: What land?

SENATOR SCHMIT: Laying hens, of which I have a million in my district.

SENATOR WARNER: Right. I don't have...I have to look up what...what...well, are they purchased?

SENATOR SCHMIT: Yes, they're purchased.

SENATOR WARNER: Okay. I'd have to look up what the federal IR...life cycle is because, essentially, that's what we follow. I do not know off the top of my head what the life cycle of a chicken is, but I assume it's pretty short.

SENATOR SCHMIT: I would assume the life cycle of the laying hen business is going to be much shorter in this state once this is implemented. What about a thoroughbred brood mare or thoroughbred stud? How are we going to handle them? I understand the federal government has a very...used to have at least, a very generous method of depreciation on such an animal. Will we have to follow that system or can we follow the Nebraska system on that?

SENATOR WARNER: As you may or may not recall, the bill, as it is, provided that the Tax Commissioner determines the various life cycles but the IRS is to be used as a guide for those and