

purchase shall include taking by sale, discount, negotiation or any other transaction for value creating an interest in property except liens. Purchase shall not include transfers for stock or interest upon creation, dissolution or any other organization of any corporation, partnership, trust, or other entity. I believe that that properly exempts from taxation the reorganization of a corporation. I believe that if I were to take Schmit Industries and reorganize into Schmit Farms, that it would exempt that property from taxation. I do not believe, Senator Wickersham, that it addresses an estate. And if you read further on the bottom of the page of 1177, on page 78, line 14, after the period insert, and I quote, "Property subject to taxation transferred as a gift or devise or as part of a transaction which is not a purchase shall remain subject to taxation based upon the date the property became subject to tax and its Nebraska adjusted basis. I believe, in my estimation, and again I'm not an attorney, Senator Wickersham I'm sure will comment upon it, I believe that that clearly states that property such as an estate then becomes subject to tax. I would hope that we would understand that in the course of the enactment of this kind of legislation we will do many things which we do not necessarily like to do. We will exact many taxes which are not fair and equitable, but I would hope that we would not become widow bashers or spouse bashers, as Mr. McCoy has indicated, and tax those individuals once again, inadvertently, and the Legislature will lament and say we never intended to do this, it was an error, we will blame someone else if possible, we blamed the court for our problems the last ten years but in this instance I do not think we can blame anyone else if we do not make it abundantly clear that in this instance we do not intend to tax those kind of estates. I would hope that we would adopt this amendment and send a message to the tax commissioner, to the taxing authorities of the state, the assessor, the county treasurer, that no tax is due when an estate is involved which happens frequently every year in every county. If we do not make this clear, we have no one to blame but ourselves. Ladies and gentlemen...Senator Wickersham, would you yield to a question?

PRESIDENT MOUL: Senator Wickersham.

SENATOR WICKERSHAM: Yes, senator.

SENATOR SCHMIT: Would you tell me where, in your opinion, your amendment specifically addresses the matter of estate transfers?