

they do not think we need a...

SPEAKER BAACK: Time.

SENATOR SCHMIT: ..constitutional amendment if you exempt all personal property taxes. Ladies and gentlemen, I support the bill...the amendment.

SPEAKER BAACK: Thank you, Senator Schmit. The next speaker, Senator Elmer.

SENATOR ELMER: Thank you, Mr. Speaker. I'd like to talk just a little about the scheme to tax personal property in 1063 and why it...why it won't produce like people think it will. Good example of that are Senator Conway's projected reduced tax on more valuable automobiles and a few dollars increase on all the older ones, which is purported to increase the revenue in the state by something like \$30 million. And why is that? Because there's so much older equipment being run on our highways and byways than people realize. Now let's think about this depreciation viewpoint. First of all, think about all of the types of businesses there are and the very high ticket types of items that are in those businesses. If we're going to talk about business stuff, like printing presses, I'll bet there's not a printing press out there in the rural areas that's less than 30 or 40 years old and is fully depreciated. It's now paying some tax. Office furniture, nothing is more coveted in an office than an old antique cherry bookcase or desk. Are those on the depreciation schedule? Of course not. How about machine tools, like lathes, vertical mills, big metal breaks, big metal sheers, very costly pieces of equipment. But it doesn't matter if they're 30 or 40 years old, they still function and function well, that are now paying some tax that would not, that would not under the depreciation scenario. Look at restaurants and the restaurant trade. How many stainless steel sinks do you suppose wear out? They're old and they're still just as nice and just as serviceable as they were the day they were purchased. They wouldn't be on the tax rolls. How about a carpentry and molding shop that makes cabinets? The table saws, the planers, the shapers, the routers, they're all heavy-duty commercial equipment that last many years with just minor repair--sharpen the saw blades and such as that. They wouldn't be on. Look at a manufacturing business that has elevators and conveyors. Those elevators and conveyors and such as that last many, many years. They'd go off. They