

agricultural sector, once they analyze the consequences of the depreciation that Nebraska is going to base the depreciation tax on, will evaporate and become strong opposition. The chances of a constitutional amendment passing based on 1063, which is, basically, a house of cards, that we are going to be back trying to put back together in a very short time, especially when the constitutional amendment will not pass with this type of a scheme behind it. The people of Nebraska, and most especially those that are in business, have to be alert to all the dangers out there in the world, if they are going to be successful, and this Legislature is going to be one of the most aggressive adversaries to good business policies in this state that we have. With this depreciation type of taxation, it is even less fair than...even less fair than the old style of evaluating property. There is large amounts of very valuable equipment that is old, like Lincoln Steel with the shears and the presses and those types of things; the newspapers with their printing presses. It just makes it impossible for new industry to come into this state unless they are large enough to participate in 775 benefits. I can understand why the larger business community in this state is strongly behind this bill because it precludes or limits the possibilities for competition against them in this state for similar businesses. Who wouldn't want this? Once you look at what happens to the school money, you can see why some people are on this bill. Look at the school districts that gain money in the millions. Look at those that lose money. It is very obvious why certain people on this floor are standing in support of this bill. It has been crafted together very, very...with a lot of skill to have all of the pieces bring certain individuals into line. It has been done very well, but it is a very...it is a short-lasting coalition. We will be back. Thank you, Madam President.

PRESIDENT MOUL: Thank you, Senator Elmer. Senator Withem.

SENATOR WITHEM: Yes, Madam President and members of the body, I really got up for only one purpose and that purpose was to talk a little bit about the state aid numbers, although a couple of things Senator Elmer talks about are kind of intriguing. We heard early on that the old style of valuing property, from the ag community, Senator Elmer, from the ag community, the old style of valuing property was totally unfair and unreliable and was a liar's tax. We needed something we could tie our hats to and, lo and behold, up came a bunch of rural people saying, well, why don't you use the depreciation schedule, so we adopted