

and Senator Withem chastised me for suggesting that we return to an older, less sophisticated method in the way to class this personal property, and I say the older method was more fair because it treated an older business and a younger business in exactly the same way. Even though it was cumbersome, it made liars out of everybody, everybody had the opportunity to lie in the same way. This one doesn't offer the opportunity for that. I think that it won't be very long until we recognize the evil that is being done to our tax system, if this bill is passed and put into effect under the constitutional amendment that is proposed. Thank you, Mr. Speaker.

SPEAKER BAACK: Thank you, Senator Elmer. Senator Schmit, you are next.

SENATOR SCHMIT: Mr. Speaker and members, the concern that this body has demonstrated for the people of this state I think is reflected in the manner in which we have addressed the tax issue these past five years. I could go back beyond that, but it wasn't until the last five years that we became really seriously involved in the controversy. As I said earlier, I felt very strongly that when the original case was filed and the Attorney General of this state stipulated to the fact that 75 percent of personal property was not taxed, implying that the railroads were distinctly being victimized, that he gave away the case, inadvertently, I am sure, because he did not bring out the additional facts, the additional facts being that, number one, farm equipment was taxed at the time of sale. In other words, we paid sales tax on it. Number two, the property that we talked about was not taxed, principally the railroad property. If you were to go across the State of Nebraska today, even after all of the hullabaloo that has taken place, all of the printed words you have seen, 95 percent of the people would not know that, 95 percent of the people would not know that. It always comes as a tremendous shock to constituents and to audiences when they find this out. That is why, I think, it is important and it is imperative that we debate these issues. One of my colleagues said, well, Loran, after all, we did get the tax off farm equipment, and I guess I have a question I would like to ask, I don't know who is in charge, but maybe Senator Lamb can answer this question. Since all of the tax is being removed from farm machinery, since we are going to get a refund on all it, why, Senator Lamb, do we go through the process of paying the tax and then getting it rebated, and how will the rebate work, can you tell me that, please?