

a new car, for instance, and your new car, let's say it happened to be a factory program car, that is 11 months old, has 15,000 on it, you will pay the same tax on that as if you went out and bought it brand new from a dealer at that point in time. That is a problem with our current system. Our current system also relies very heavy on the first three or four years that that automobile is on the books. After that, it literally drops out of sight. What this bill is attempting to do relative to all those problems is take that cost and spread it out over time. Now I don't suspect that many of the people in here have ever studied time value of money, but to be able to pocket one or two or three hundred dollars initially, in that first year, even if your costs do go up in the third and fourth year, you can't forget the fact that you were able to bank considerable amount of savings on those first couple of years, and with the time value of money, that compounds to be considerably more as yet. One of the reasons I think the so-called poor and middle class people are not able to buy cars in the State of Nebraska is not the initial cost, which can be put into a loan, but they have to come up with cash for the tax, and when you start looking at a three, four hundred dollar tax on a newer model of car at all, that is a cash out-of-pocket cost, plus the sales tax, can make that car to be licensed putting you up into a neighborhood of \$1,000 for simply a Ford Taurus. I probably have not had more calls on an issue unsolicited, by virtue of unsolicited meaning not having a piece of legislation in front of us or some situation, but just people calling by virtue of going down and trying to license an automobile, and maybe in part is because I live in northeast Nebraska where we border two other states. Those two other state, South Dakota and Iowa, if you were to take a 1992 Ford Taurus, not a luxury car, not a car that is designed for anything other than basic transportation, a typical car that a salesman need to buy as part of his job to have a decent set of wheels under him, if you went to South Dakota, your property taxes on that car would be \$40. If you took that same 1992 Ford Taurus and tried to license it in Iowa, it would cost you \$202. That same '92 Ford Taurus to be licensed in Nebraska is \$462. Now you will see that thing turn upside down as you move through a period of time. In South Dakota, if that car is an old Ford that is 10, 12 Years old, you still pay the \$40. In Nebraska, you are probably paying five, and six, and seven dollars for that same car. So what we have done is stacked up all the money on the front end, therefore, literally eliminating many people, particularly the poor, and particularly the middle income people from being able to come up with that