

April 3, 1992

LB 719A

LR 219

Senator Warner has said it all. I said it repeatedly on this floor during the debate on LR 219CA, you're not going to tax the railroads. Now you may get a little token tax money under this convoluted system which is being proposed here today. If and when you do, ladies and gentlemen, it's going to be dictated by the railroads. And then they'll say it's cheaper to do this than go to court and we can...we'll put on our good citizen white hat and we will march with the best of them. But the facts are that we are progressing rapidly down the direction which I said we would progress when LR 219CA was adopted. The railroads are going to opt out for all except the token amount. Pipelines will follow suit and I would assume telephone companies, based upon their ability and agility in the past, will also follow suit. And so you're going to have the ma and pa businessman and the farmer and rancher. And then, of course, when additional revenue is needed, it can't come from nowhere except those who are not in a position to sit down and negotiate with Mr. Balka or whoever happens to be in the Tax Commissioner's office. As I recall, it was argued on this floor repeatedly that we're going to have uniformity in the taxation of personal property because it's only going to be on depreciable property. I have tried to determine, through the various methods available to me, what percentage of the total personal property tax will be under the tax coffers under LR 219CA. The nearest I can come is it is about 29 or 30 percent. So, ladies and gentlemen, I visited this morning with Attorney General Spire for a little bit and I couldn't help but reminisce a bit that when he conceded that only 25 percent of personal property was being taxed that the court said that's not fair, that's not fair, we're not going to allow it. So now we raise that to 30 percent, the difference principally being this, instead of taxing the railroads and the pipelines and the telephones, we are now taxing the small business person and the farmer and rancher. I don't think the court is going to look any more kindly on that than they did on the other. And no matter what kind of stretch of the imagination we use, to assume that a depreciated cow is taxable property and a nondepreciated cow is not taxable property, I believe the court will say a cow is a cow is a cow. Now we talk about looking at...yeah, thank you, Senator Hefner. The credit goes to Senator Hefner. Now we talk about assessment of personal property and my proposed amendment relative to mistakes was not successful. And, as I look at some of those persons who voted against the amendment or who did not vote or were not present, I'm wondering how they're going to explain that even today...in the old days when the