

April 6, 1992

LB 719A, 1063
LR 219

did ask that some handouts be put out. When you look at the actual 4-R language which was passed out, and I don't know how many of you had actually read the bill before, my case I had read accounts and characterizations of it, but when it makes a reference of comparing the tax liability of railroads to commercial and industrial property in the state I think it makes it pretty clear that we have to take the federal 4-R Act into account as we tax the railroads. I wish we didn't have to. I wish we could treat railroads exactly as LB 1063 treated all other property, but I think we need to. It's interesting the floor debate on LB 1063. We had senators, such as Senator Schmit, saying we can't tax the railroads because of the 4-R Act. We had senators, like Senator Hefner, say, well, folks, railroads will not pay any personal property tax in Nebraska. It's just that simple and I don't think any way that we structure 1063 that they will pay. Senator Moore made reference to all of the lawyers for the railroads going into court and keeping the railroads from having to pay anything. I'm surprised, I guess, that I come back and I find that we have an amendment that will guarantee collection of, I shouldn't say guarantee because I don't think you can guarantee numbers, but based upon the numbers as they existed in the year in which Department of Revenue did their... did their analysis that they'd pay four and a quarter million dollars of property taxes on personal property in Nebraska, that that's somehow a concession to me. These people who are saying that, before, saying we're not going to get a nickel from them, now when we're paying, now when we have an amendment that will get four and a quarter million dollars from them based upon the calculations in property as they existed in the year in which the calculations were done, we're somehow caving in to them. I just don't understand that. This is an amendment that will take account of the fact that there is a federal 4-R Act, take advantage of the provisions in LR 219CA that says when there's a federal act that treats property differently that we, as states, whether we want to or not, have to take account of that, and will be a provision that will keep railroads paying personal property taxes. It's that simple and I guess it's that simple a decision and I don't care a lot whether the members of the body uniformly adopt this amendment or whether they don't. If you want to roll the dice and say you would rather run the risk of losing...

SENATOR MORRISSEY: One minute.

SENATOR WITHEM: ...5 million dollars worth of property taxes,