

as we can get on this. I would hope that you would debate this amendment thoroughly and give it some serious consideration. Thank you very much.

PRESIDENT MOUL: Thank you, Senator Schmit. Senator Hall, followed by Senators Rogers and Nelson. Senator Hall.

SENATOR HALL: Madam President and members, I rise in opposition to Senator Schmit's proposal on LB 6. It was introduced to the committee as LB 5 and we had a hearing on it. The...bec...and it's difficult to rise in opposition to it because I do agree with some of what Senator Schmit says in terms of...and some of what others argue with regard to the problems that we face in terms of taxing personal property. There clearly are forms of personal property where there is no problem dealing with a valuation method, there really isn't, business equipment is one of them. We have never had a problem dealing with automobiles in that way, and farm machinery would fall in the same category, frankly. That's what the Syracuse study says. No problem. The problem comes into play in those areas, such as the business equipment and the automobiles, and the ag machinery because they all pay sales tax. Ag machinery doesn't pay the personal property, though. And what the Syracuse study says is that you would be better off and better served and have a more fair tax system if you put personal property tax on farm machinery and remove the sales tax. And that makes sense, if you're going to do that, it goes on to say that you have to really do it for business equipment as well. And then I would argue that if you do that, if you do all those, it makes no sense to collect it on automobiles. In the area of automobiles I guess you raise the gas tax to cover the money that you lose that flows into the Highway Trust Fund, and I could support that, because that's on a need basis for me, instead of an up front cost on a transaction basis with regard to the automobile that is getting more and more onerous. Even when you're going out looking at a used car it's become a real problem in terms of those up front dollars that we look at when you go to plate a car and pay the sales tax on it. So you know when we talk about exempting all personal property and some of the problems that we face, and the fact that personal property is a difficult area, in some cases it's extremely archaic, or you run into problems in terms of placing a value on it, I can't argue, I cannot argue with the issue of ag equipment, and that, you know...or excuse me, ag inventory. And I can't see any value, no pun intended, but I can't see any value in having a property tax on business