

back a long time that either sales tax or personal property tax ought to be paid, but not any tax at all should be the option. I'm still concerned with, if we switch to this process, that at least in some types of sales, and particularly in the auction situation which I understand around 23 percent of the farm equipment that is...the way sales tax is currently collected, the estimate is at least, is that auction sales, and at those points, you are going to be making...the individual purchaser is going to have to be making the decision when they buy, particularly smaller items, whether it's depreciable or they're going to expense it. And I can see very easily where any of you that have bought things at an auction, farm auction, you buy at buyer's risk, there is no guarantee. You buy a smaller piece of equipment of some kind, maybe pay a couple hundred dollars, or a hundred dollars, it is...probably ought to be, it is depreciable. You get it home, you find it doesn't work, it's going to cost you another \$200 to fix it, and you can buy a new one for 350, and you junk it, you expense it, you simply don't know when you're settling up how you're going to act, use that expense. Inadvertently, the logical thing is you will assume you're going to depreciate it, therefore you ask for the exemption. Then you're going to get angry, a few months later, when you find that the item was worthless, but you're going to be paying depreciable property tax on it for the next three years or five years, whatever the case might be. I could see those kinds of little annoying things coming up time and time again, aside from the...that I view at least, an increased cost of administrative responsibilities for both the state and local government to be assured that those...that exemption was right. I can understand that there certainly can be a cash flow issue for the individual. Those things I would certainly agree is an issue. But on balance, and particularly in keeping with how it was enacted, it seems to me that better state policy, at this point at least, is to retain that refundable sales tax as it was enacted, rather than switch to this process.

PRESIDENT MOUL: Thank you, Senator Warner. Senator Wesely.

SENATOR WESELY: Thank you, Madam President, members. I, too, rise in support of the Hall amendment and ask the body to support it as well. I know there's a number of senators missing this morning, and perhaps everybody's mind is made up. But again, I think for the record we need to indicate a strong desire to see us return back to the policy as we enacted in LB 1063 in this particular subject. We struck a bargain on that