

status quo or trying to leave all of the individual groups of taxpayers with the same responsibility that existed prior to the passage of 1063 and to address some of the problems that had arisen by previous court decisions. It was felt, I think, that the intent of the Legislature was to provide for an answer to the centrally assessed properties question by providing that all income producing property would be addressed. The livestock became an issue from time to time but was never seriously addressed at that point in time. I would share with you that when I first became aware of the rulings of the Department of Revenue, and, again, I'm not arguing with the rulings of the Department of Revenue because they were made, I believe, correctly based upon the language in 1063, that we went back and looked at all of the floor debate, the many pages, and tried to find everything where the topic of livestock was addressed and what was addressed. It appeared, and there may have been more people that understood the impact than what spoke on the floor, but there were only one or two notable exceptions of members of this body that understood how this was going to impact the livestock industry, that the livestock industry, at least those who purchase breeding livestock, would, in and of themselves, be the only group of taxpayers who received a direct shift to them from the other classes of taxpayers living in their taxing subdivisions because there was no attempt made to offset the additional costs. And, if you recall, the business community had been, up until the time of the passage of 829, and I don't know how we're going to resolve that, been paying a property tax to the local subdivisions of government based upon the original cost with a depreciation factor that was agreed to by the various county assessors, a formula, if you were, with a residual value at the end of ten years of ownership for most property, with the exception of electronic equipment, of 20 percent of the original cost. When we...the intent of shifting then to the depreciation method was to first put in statute what had been the accepted process and try to establish a system that I believe to be the belief of the Legislature that would result in basically a zero tax increase. When you move to income producing property for the agricultural sector where there had been a sales tax paid on that but there had not been a property tax paid for some 20 years, there was an effort on the part of the Legislature to at least blunt the effect of the property tax increase on agriculture by the forgiveness or the exemption for part of the sales tax that was levied on that. Bear in mind that the owners of purchased breeding livestock have not paid personal property tax for that, nor have they been