

PRESIDENT MOUL: Thank you, Senator Morrissey. Senator Robinson. Are there sufficient seconds? There are. We will now vote on the motion to cease debate. All those in favor please vote aye, opposed nay. Please record, Mr. Clerk.

CLERK: 26 ayes, 0 nays, Madam President, to cease debate.

PRESIDENT MOUL: We've ceased debate. Now I will recognize Senator Withem for closing.

SENATOR WITHEM: Would like to make one clarification, if I could. I was having a discussion with a colleague about how the sales tax applied to business equipment, and it applies exactly the same. We did check with the tax commissioner. It applies exactly the same way. I was 99.9 percent sure but this is a methodology of taxing depreciable property and it applies across the board. That was the basis of it, that we don't separate out and treat ag differently than we treat business property, that all property now in Nebraska for 1992, purchase price including sales tax minus depreciation is the basis of the valuation. I think it is kind of weird, I guess, the way different people see this in different context. I see, first of all, Senator Will and I were having this discussion and have had it a number of times, but the one thing that frustrates me about this whole debate on personal property is that the manner, this depreciation methodology for all of its warts and problems that Senator Moore and Senator Hall have very eloquently pointed out is a concept that came originally from the agriculture community as a potential compromise. It isn't something that I thought of, it isn't something that urban senators thought of, it was a potential compromise from the other side as opposed to taking true market value. Sure, Senator Hall, you are right and others have made the point, we don't treat automobiles, we don't put sales tax on top of the value of automobiles, because we don't treat automobiles as depreciable property. We don't use the depreciation methodology. Because they are set out as a separate class suitable for a different treatment in the Constitution, automobiles are treated on their market value, so we don't worry about sales tax. Only in this area of personal property did we come up with this compromise that was designed to not treat personal property as negatively for taxation purposes as we do automobiles and as we do real property. I am really to the point where I wish we wouldn't have done that. I really wish we would have treated all personal property on its fair market value and done something maybe to exempt agriculture