

process that I think anyone relishes having to be here but I would also like to reiterate that had we had the opportunity, as I think Senator Coordsen pointed out, to exercise as a separate and distinct branch of government, that we would not be here today, that the court decision has placed us where...firmly and squarely where we are and that we have little option but to either raise the revenue necessary to bring us out of this hole and to stop the...not only the bleeding in terms of the interest rate but the bleeding in terms of our tax policy, but we have to also keep in mind that in a very short period of time we're going to be right here dealing with the overall budget in terms of its long-term financial problems that we have to face. So I would hope that folks keep that...and I know you will bear that in mind as we continue debate on LB 1. Again, I would urge its advancement from General over to Select. Thank you, Madam President.

PRESIDENT MOUL: Thank you, Senator Hall. Does anyone else wish to speak to this bill at this time? Senator Elmer.

SENATOR ELMER: Thank you, Madam President. When we're looking at these taxation matters as a body and when we're setting policy for the state we're faced with the responsibility of trying to make the taxation that's levied on our citizens as fair as possible. In our current tax policy, we have two areas of very unfair tax policy. One is in the taxation of depreciated property, depreciating property, which, in itself, penalizes any of the progressive or new business ventures in this state, whether it's a small bar owner or a restaurant operator or a large concern that is progressive and is buying new equipment to keep their company long-lived and viable. Therefore, I feel that we should address these things in the depreciation side. LB 1 exacerbates the depreciation in making a surcharge upon that which is already unfair. Secondly, we have another area of current taxation of personal property that is grossly unfair and that is the taxation of depreciating breeding livestock, wherein part of the farmer ranchers breeding livestock may be depreciating and having to pay tax on and another part that he has raised himself is not taxed. And I would defy anyone to go to any farm and be able to point out which cow is being depreciated and which cow is not. That is unfair. Senator Hall, could I ask you a question or two?

PRESIDENT MOUL: Senator Hall.