

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

February 22, 1999 LB 612

Legislature. Thank you, Senator Brown, for the time and I...I don't know how many other lights are on this morning or not. I want to try to narrow this down a little bit because it is a hard subject to try to get your arms around. Depreciate...what isn't the issue, depreciation is a legitimate tax deduction that's allowed by the IRS Code. That's a tax issue. That's a tax deduction that is allowed. The key is, how much money do you have available to you to support your children? That's the court's search, as to how much money is available and how much of the money that you have available should you pay to your children for support. And the issue today is we have one piece where a sector wants to come in and say that shouldn't be counted. That isn't...I don't actually have money that's available, because it's a tax deduction. Well, the money is available. You actually are still bringing in the money. Now, what you're going to do, Senator Baker's right, he goes in and gets a loan and he pays that off in installment purposes. He also gets a deduction for the interest income (sic), which he actually did expend to do. But the bottom line is, what money is available to support those...those kids? You could have a lot of money in the bank because of income-producing property and, yet, show a loss because of depreciation. Now, in the year of purchase you're going to write one big check. That's right, you probably borrowed that money. But in terms of what actual money is in the bank that's available for you to share so your kids can have clothes, so they can eat, so they can have utilities is a much different issue. It's, perhaps, a...it's a legitimate issue for debate. That has happened. That has been in the Supreme Court's commission, that we told them, Supreme Court, you go off and do. Now, if we want to...if you want a bill that...one that strikes all of that and says, look, we don't want the Supreme Court at all doing child support guidelines, I'm probably happier with that bill than I am piecemealing it. The problem is I don't think that this body wants to get into deciding what goes into those child support calculations because they're going to become political issues. And that's...the bottom line is then it becomes a political football that changes year after year after year, depending on who has the political power. And the bottom line is that there's no...there's no certainty and you're going to flood the courts with a wide variety of people coming back for modifications saying, well, the Legislature this year changed the rules of the game. And