

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

March 10, 1999 LB 612

Baker.

SENATOR BAKER: Thank you, Mr. Lieutenant Governor. I won't take long. There...what this will force to do...people to do if we do not pass this, and it's being done now, is these farmers are going to go out and rent equipment. It's very easy to do now and, in fact, it's the wave of the future to rent equipment, and that is a...an expense. You don't have to depreciate that. What this bill does is try to keep those people, forcing them from going and doing that if they don't want to, but I guarantee you, the bill doesn't pass, it's going to force those people to rent their...any num...every dealer in the state of Nebraska has a leasing program. I can just about guarantee that. These people simply go rent the equipment instead of buy it. Another thing we must point out, of course, and I think most people are aware of this, is when you go buy land, of course, that's not depreciable property. That has no effect on child support, buying land. And I would be more inclined to focus people's energy on the fact that we need to make the custodial parents accountable. We do. And I'm not against child support, obviously, but we need to do some further work on this issue and that's to make the custodial parent accountable for that money when they do...are...do receive that check. We can tell when certain people get child support payments at our store. They come in and buy Powerball tickets, be real honest with you, and so I want to work on that also. But if the bill does not pass, it's just going to further distort things. People are going to be able to go out and they'll rent equipment rather than purchase it, and that's one of the reasons this bill came about, is we don't want to force people to do that. It is a legitimate expense. That's all we're asking for in this bill is to recognize depreciation as a legitimate business expense. It is. It's been recognized by the Internal Revenue Service forever, State of Nebraska recognizes an expense, but you can't recognize it as expense uniformly across the state now when it comes to child support payments. So, with that, I would urge advancement of the bill. I'm sorry, we're on the amendment. I will not oppose the amendment. We can accept the amendment too.

PRESIDENT MAURSTAD: Thank you, Senator Baker. Senator Kristensen, your light is the last light.