

one portion of that tax. That portion would have been inventories. But, you can't make those arguments for personal property.... for equipment. If you make those arguments for equipment, Senator Schmit and others who would argue that this is an unfair tax, you can't make those arguments only for agricultural equipment. Business equipment, if you could make those arguments at all, should have also been exempted and it was not. Now, how many other states in the union have done that kind of a proposal? When in North Dakota they said all personal property tax ought to be exempted. All personal property. In North Dakota they are at least philosophical about these issues. In Minnesota they said inventories ought to be exempted, in Minnesota they are at least philosophical about these issues, but in Nebraska, you know the way you write tax law in Nebraska is different than they way you write tax law in most of the other states. In Nebraska you have got to find in this non-partisan, non-philosophical body, you have got to find twenty-five votes. So what do you do? You write an exemption bill that says will exempt inventories, and will exempt some equipment, depending upon how many votes they can bring to the exemption process. That is the way 1241 was written. It wasn't philosophical, wasn't justifiable, wasn't right, it was written based on where could you get the votes to exempt what they wanted, what they had agreed to exempt. That is the way 1241 was written and that is the reason we are in this kind of a problem today. If inventories alone would have been exempted I might well have been able to support the exemption. I would have been willing to use sales and income tax to replace it. But, that wasn't the deal, that wasn't the deal.

SENATOR CLARK: You have one minute left.

SENATOR NEWELL: The deal was simply; we get two, you get one and you like it. That is what has created the problems with distribution and that is what has created the problems with this whole thing and that is why we ought to put this tax back on. Because, if we put it back on over an eight year period of time, then we can take it off and we can take it off in a philosophically correct manner, one that is justifiable and one that does not over burden some tax payers to provide relief to other tax payers. With that in mind I would urge this body to do the responsible thing, which I know you won't do, and that is to put this tax back on the tax rolls so we can in fact do it all over again, only this time do it right.

SENATOR CLARK: Your time is up. Thank you. The question before the House is the adoption of the 16 page amendment by Senator Newell. All those in favor vote aye, all those opposed vote nay.