

the elimination of the terminal tax, there were two cities in Nebraska that would be adversely affected by the elimination of the terminal tax. One was Omaha which would be adversely affected to the tune of a quarter of a million dollars and the other one was Alliance which would be adversely affected by about a similar amount. Now Omaha can easily absorb a quarter of a million dollar loss by virtue of this valuation change. Alliance could not. So what the Revenue Department then did with Alliance and the Revenue Committee and Omaha is it negotiated a slight change in the allocation system of the railroad tax so that these cities would continue to receive approximately the amount of money they had been receiving under the old anachronistic terminal tax and that is what the committee amendment does. It allocates out 5 percent to cities with certain terminal properties for purposes of city funding and what it really does is it simply holds, essentially it holds harmless the local governments that are being affected by the Department of Revenue's elimination of this provision. And with that I will ask adoption of the committee amendments.

PRESIDENT: Is there further discussion on the Revenue Committee amendments? Senator Scofield.

SENATOR SCOFIELD: Mr. President and members, no further discussion. I would just like to express my appreciation to Senator Johnson and members of the Revenue Committee as well as the Department of Revenue for working out the amendments here and I stand to endorse those amendments, but I do appreciate your help and your concern for the City of Alliance. Thanks a lot, and I urge you to join us in adopting these amendments.

PRESIDENT: Senator DeCamp.

SENATOR DECAMP: Mr. President, a few years ago we completely changed the system for valuing and taxing railroad property. At that time one district after another in this state and one area after another lost huge sums of money which sums of money for taxation purposes were transferred to a few limited areas, those areas being Omaha, more particularly Alliance and North Platte. In other words, districts that had been getting substantial amounts of money simply through this new formula had their taxation or their money they were receiving taken away from them and transferred directly over to these other areas. Now Senator