

SENATOR V. JOHNSON: Senator Haberman, you mean to tell me that you would add insult to injury, you would take four million bucks away from the state tax base and then you would ask us to appropriate \$62,000 to administer your exemption? Is that the story?

SENATOR CARSTEN: Senator Haberman, would you care to respond to the question, please.

SENATOR HABERMAN: With pleasure, Mr. President. It seems as though in the eyes of the beholder of the Revenue Department and the fiscal department, they look at things a little different. Now, they say to take the sales tax exemption off of repair parts and materials for contract carriers and railroad rolling stock would only cost \$20,000 the first year. It only takes \$1500 the second year. But then they say on my bill they are going to have to hire people to send out notices, to send out notices. Well, I could send those notices out for a lot less money than that. Now, to go a step further, to go a step further, the Revenue Department, here is now they figured, Senator Johnson, the two million this year, not four, because I took trucks out, here is how they figured the millions of dollars that it is going to erode the tax base. The report included a figure of 697 million spent by Nebraska farmers on repairs, maintenance of buildings and fuels used on the farm. That is the figure they used, but 300 million of that figure is fuels, exempt. That is not underneath the bill. No, that is not underneath the bill, Senator Johnson. So when you take 300 million off of 697 million, you cut in half, you cut in half what the Revenue Department says it will cost on this bill. So challenge the Revenue Department, I challenge them to look again as to how much it would take to send out the notices to the retailers that sell farm equipment, machinery and parts, that there is no longer any sales tax. It is just a piece of paper. You could post a piece of cardboard up in the building and say, not...no sales tax. So that is the sandbag figure and we will work that out, I hope, with the Revenue Department and/or Senator Johnson's committee before we are through. So I ask you to advance the bill.

SENATOR CARSTEN: Senator Smith, please.

SENATOR SMITH: Thank you, Mr. Speaker. Senator Haberman, I