

February 26, 1992 LB 1063

would have that so there is a possibility for cross check.

SENATOR ROBAK: Would you have to be audited then in order to have somebody find out if you're doing an accurate report?

SENATOR WARNER: I guess any system that you have, Senator, depends on auditing for compliance, for 100 percent compliance by everybody on any tax system we have. You know, that's true on collection of sales and income tax, somebody can cheat.

SENATOR ROBAK: Thank you. That was one question that they would like answered. Thank you.

SENATOR CONWAY: Thank you, Senator Robak. Senator Schimek. Senator Elmer, please. I don't see Senator Elmer so we'll move to Senator Hefner, please.

SENATOR HEFNER: Mr. President and members of the body, I just have a few brief comments to make, but I believe that if we go with LB 1063 that it would be unfair competition to our Nebraska farmers and here's the reason why. Take Iowa for instance. I'm not too far from the Iowa border. Iowa does not have a sales tax on farm machinery nor do they have a personal property tax on farm machinery. So here we're putting our farmers in Nebraska at a disadvantage and so I think...I don't think we want to go with 1063 unless we can get at least the sales tax off of farm machinery. Also we must remember that our farmers need to have a very large investment. Could I have the gavel, please?

SENATOR CONWAY: (Gavel.)

SENATOR HEFNER: Thank you, thank you. Our farmers need a very large investment. They need a large investment when they start farming. They need a large investment to continue farming. And when they make a large investment, if we put personal property back on this machinery, it's...they'll just have to pay a lot more taxes and I don't think that's fair because a lot of people don't need to have a large investment to make a living where a farmer does. And so I think we should consider that. Now Senator Landis says well, we need to keep this as neutral as possible. Well, I don't know how we're going to keep it as neutral as possible. But right now the farmers are not paying personal property tax on their farm machinery and we're adding this on. So I would say that's an additional burden to our