

February 26, 1992 LB 1063

let's be fair when we work out this compromise. Thank you.

SENATOR CONWAY: Thank you, Senator. Senator Haberman. We'll move in to Senator Lynch.

SENATOR LYNCH: Mr. Speaker and members, I intend to support moving 1063 to the floor and I intend to support an effort by Senator Lamb to move his to the floor as well. We're talking about all of them at the same time. We all know that now. But we have to talk and have to understand we need a vehicle to accomplish whatever we want to accomplish and I think it's best that all of the possible vehicles exist on the floor for our consideration and with that I would yield the rest of my time to Senator Landis to answer the cow question by Senator Hefner.

SENATOR CONWAY: Senator Landis, for the cow question.

SENATOR LANDIS: Thank you, Senator Conway. Let me get back to the topic that Senator Hefner raises. How is it that cows can be treated in a different way for tax purposes? Imagine a store in which somebody sold cash registers. They have a cash register that they use to ring up the sales and you walk in and buy a cash register. Got 100 cash registers in the place, one of which they use to ring up the sales, 99 of which they sell. But you've got 100 cash registers. Those cash registers get treated differently for tax purposes. One of them gets taxed as personal property, 99 of them don't get taxed and yet they're all cash registers. Why? Because one of them is there being used as business equipment and 99 of them are there because they are inventory and are being...are there for the purposes of being sold. They are held for the purposes of resale. The difference between the two is the intent of the temporary owner who happens to be the person who is selling the cash registers. He intends to keep one, he intends to sell the rest. Intent is the difference between the same act which may result in a death and in one case might be an accident but in the other case might be murder. Intent proves to be the distinguishing characteristic between things that otherwise similar. You can have a window air conditioner. That window air conditioner can either be sold as part of a fixture of a house because it's meant to be permanently attached, or it cannot be a fixture and it's personal property because it is intended to be moved. In the case of the cow, the cow is different in the...with respect to whether it is intended to be sold or part of inventory or whether it's held as a part of an income producing mechanism