

accused of not being willing to make a compromise, and I want to explain to you the amendment that is still being drafted up in Bill Drafting. It, too, provides for the exemption on sales and income tax of farm equipment, new and used, but it goes further than that. Number one, it would require that you file as a refund, which is the policy that Senator Conway introduced in a general sense. His was tied to a tax credit but this would be a sales tax refund. However, you would not receive that refund unless, or when you filed for it which would be by May 1, the following year in which the equipment was bought, you would have to file papers showing that that property was also listed on the personal property tax rolls at the county level, which, in turn, then would enable the tax commissioner and would...to verify with each county that, in fact, that piece of equipment had been filed for personal property tax. The refund would occur, not at the time of purchase, but it would occur within the same year that that personal property tax would be paid. It probably would have some impact but probably not much on the revenue loss side, and that is an issue that has to also be addressed in order to, because of the tightness of our General Fund, that that has to be balanced out as well. But that concept has several advantages. One, you do not put the dealer, the implement sales person, in the position of having to determine if a particular piece of equipment is to be used for farm purposes or for something else. The key will be consistent with what my, at least what my position has been for 20 years, and that is that personal property in the case of farm equipment and machinery should not be...should be taxed either as sales tax or as personal property, and for 20 years the policy was to tax it as...from sales tax because it was exempt. That concept would still be there, that one way or the other, depending on what you did, but the big problem is you avoid a lot of definition problems that the seller and the implement dealer, in particular, has no way of knowing...

SPEAKER BAACK: One minute.

SENATOR WARNER: ...how a particular piece of equipment might be used, no way to verify, and with this approach that I am suggesting, I have a rough draft here, you gain several ways. You don't have a definition problem from the person selling, which certainly is a problem. You have verification that, in fact, it is being taxed under personal property, the concept that is included in LB 1063, and you have the ability to verify both on the state and local level, and the money is, in fact,