

Thank you all very much.

PRESIDENT MOUL: Thank you, Senator Withem. Senator Nelson, followed by Senators Coordsen, Lamb, Wehrbein, and Hall. Senator Nelson.

SENATOR NELSON: Madam Speaker, I would probably like to support this but Senator Withem, I agree, he may not know very much about some depreciation, but he posed a good question. The 179, and Senator Warner is correct, it is an expense. It is expense at the top of 2106 and then you go down with your depreciation, and that is taken off first, but this would be a major, a major change. Nearly every farmer or businessperson uses the 179. Sometimes that is about all of the depreciation that they may have for the year. I don't know, another concern that I have is one risk that you take in using Section 179 property, if the person does, be it farmer or business, and you should accidentally go bankrupt in the next three years, and I do think some of that will happen, or if you dispose of the item before it is entirely depreciated out, that goes in as straight income, and that is a major, major thing to the person that uses that Section 179 property in the first place. So you kind of have to weigh the judgment, am I sure I am going to use this planter for seven years, or am I not sure? Or am I going to have the pickup for five years? So it is another thing that we need to discuss, and Senator Coordsen was right to Senator Hall's, you have to have the income to use it.

PRESIDENT MOUL: Thank you, Senator Nelson. Senator Coordsen.

SENATOR COORDSEN: You didn't want me to holler that loud, did you, Madam President?

PRESIDENT MOUL: No, your microphone is on now.

SENATOR COORDSEN: Senator Warner referred to a Supreme Court case back in the seventies that gave rise to the Attorney General's Opinion relative to this. I would suggest that the basic language of Section 46 indicates a reliance upon the federal code and a fundamental basis for determining value. The question raised, what is the increase or what is the decrease? I would suggest to you that if we are going to ask for information that we also ask for information as to the decrease in business equipment value, switching from the historical formula that was used by the county assessors, and the rather