

resurrected through repairs, depressing business and agricultural new machinery sales in this state. It also penalizes anyone entering a new business whether large or small, perhaps only if you're smaller, small enough to not be able to partake of LB 775. No matter what type of business, when you're starting up you're at a complete disadvantage in your taxes due to this type of depreciation taxing. The energy tax in here now that's on agriculture is merely takes money out of ag's one pocket and puts it in ag's other pocket, exchanging one tax for another one and is a wash. The loss of small business because of inability to make a profit, small agricultural business because of inability to make a profit when they are taxed more will accelerate from the cost of attrition that we now have. You know, the prospect of not achieving a "solution" this session is worse, however, for all concerned. The results occurring to both business and agriculture if inventories are taxed are far worse from what the state, for the state than what 1063 as amended would do. As for the economic impacts on business, personal agriculture are recognized down the road as they are recognized, this Legislature will hopefully recognize the mistakes being made and rectify them. The prospects of passing a CA I have the opposite opinion of Senator Warner, that with LB 1063 there in front of the public as what we would do if the amendment is passed, would almost ensure its failure. All things considered, 1063 is a terrible tax policy for the state. 1120 was much better as was originally proposed and doing nothing would be horrendous. But perhaps that's what would result if we do nothing here. People, no matter where you talk to them, say, I don't mind paying the tax as long as everyone else pays it. People, 1063 does not do that. It taxes some people but it doesn't tax others in a similar way. This tax is regressive, it's unfair and we have the same basic problem that we talked about this morning. Fifty to 60 percent of the property tax that is being paid is for education. Education has nothing to do with property, people. That is a general obligation...

PRESIDENT MOUL: One minute.

SENATOR ELMER: ...of the people of the state. That's why 1120 is the better way to go. At least 3 percent, only 3 percent more of the obligation for education would be paid by the general public through some changes in sales tax which are minor, which are minor. I will vote for the indefinite postponement.