

no longer is interested in buying machinery, but the big operators buying the machinery, and what they want you to do is so that they can have their sales tax exemption on the farm machinery, which I supported, they want all of you, no matter what kind of operation you have,...

SPEAKER BAACK: One minute.

SENATOR CONWAY: ...to kick into this fund to buy down that machinery...or that sales tax on machinery exemption that they crafted out for you. Then, as you look at the added twists of all these other discussions, as Spencer Morrissey pointed out, if you live anywhere close to the border, we talk about border bleeding when it comes to farm machinery, you're going to see border bleeding on fertilizer that goes far beyond. There's no serial numbers to go track down and fine them on a use tax or anything else. Once that fertilizer is on the ground, it's done and it's gone. I live in a sector where I have the Iowa sector which is much more dominant from a commercial fashion and they're going to be over there running sales. We've talked about a massive hole of cash flow that we're into right now by virtue of the fact that no one this year is going to pay a dime fertilizer tax because they're going to contract for it before this bill is enacted and so we've got a whole missing year of this so-called fertilizer tax supposed to buy down the sales tax exemption that we've got on board that they're going to take that sales tax exemption on machinery but they're not going to be paying for it via fertilizer whereas...

SPEAKER BAACK: Time.

SENATOR CONWAY: ...next year they would have. And so I strongly oppose this fertilizer amendment and hope that all of you will too because I think it abridges the basic concepts that we have been working on for the last three months.

SPEAKER BAACK: Thank you, Senator Conway. Senator Schrock.

SENATOR SCHROCK: Mr. Speaker, members of the Legislature, I would like to support this amendment and I would like to maybe correct a few misconceptions here. It's been said the small farmer is going to pay this fertilizer tax. I would say to you it is the large, not necessarily the large farmer, it is the irrigated corn farmer who is going to pay the largest tax. Corn is the largest consumer of fertilizer in this state. I would