

of unconstitutionality and nonuniformity all the more pertinent, it says here in Mr., I think it's Kilpatrick who wrote this. The Nebraska Supreme Court stated that provided that business inventory shall be exempt from the personal property tax, the exemption in this subsection was among those exemptions found unconstitutional by this court in MAPCO Ammonia Pipeline v. State Board of Equalization. therefore, we need not decide whether Helvey's personal rental property was business inventory within the meaning of this statute because the property was taxable in any event. What I do with this amendment is basically take the Uniform Commercial Code definition of inventory and put it into place as opposed to the regulation definition that was being used by the Department of Revenue. Now that clearly is constitutional as presently exists but so would this definition be as well. What we're talking about is a prospective provision. We are not talking about anything that would allow for the taxes that were paid back in the eighties by anyone who claimed this property, who actually were honest and...as Mr. Helvey was, and made the case that this was taxable and paid their tax. They were the honest folks who, basically, got stung because there were others who did not pay the tax and escaped any liability. What this amendment does is bring into, I think, some uniformity to what the true practice is out there right now because, frankly, there is no uniformity or proportionality to the way that this tax is being assessed or collected across the state. What we do is we say that, basically, business inventory is exempt. We define those items that are of the lesser value that would be considered household items in nature, that would not be depreciated to fall into the business inventory definition. And we had the other items that would fall into the leasing or the rental environment, those that would be more costly that would be depreciated out, that would have a longer useful life than a household item, to be subject to the personal property tax. I believe that it is clearly an equity issue, one that we need to address, and I believe that, for the most part, the fiscal impact will be...

PRESIDENT ROBAK: One minute.

SENATOR HALL: ...little or nothing. It is, again, a local issue in terms of it is a local property tax, but I believe that the fact that the nonuniform nature in which the tax is being assessed and collected will prove...show to prove that there is little or no fiscal impact to the local communities. And I think that, really, there is much confusion out there right now