

March 25, 1996

LB 299, 906, 939, 972, 1028, 1041, 1047, 1048
1072, 1073, 1122, 1123, 1260
LR 369, 370, 371

provide direct property tax relief for agricultural producing property. It only deals with the homesteads themselves. Regarding where the money was to come from, it would come from a 2 percent cap on the budget. The figures that were used on the handout was a 5 percent increase per year and historically it has been between 5-1/2 to 6 percent, being I wanted something on the conservative side. The state tax cap of 2 percent would go off, according to this chart, in the year 2004 and twenty-oh...it would be...we'd only have to raise, let's see, the cap would only be 3.5 percent and in 2005 there'd be no more cap in existence. The cap would only exist long enough to build into the system a 50,000 dollar homestead exemption. Senator Warner, you certainly touched upon a few things. Again, the assumption that I used was 5 percent. I was being conservative. As soon as we'd get to the 50,000 dollar level these caps would be withdrawn. If we did have a 5-1/2 to 6 percent it might actually happen a year or 18 months earlier, in maybe 2003. I do...I originally thought of this idea as an alternative to the property tax package now before us. Certainly with the property tax package that is before us, it certainly compounds the problems and does confuse the issue somewhat, but I do want to withdraw this at this time and I will be submitting this for an interim study because I do believe we need to get a substantial homestead exemption built into our tax scheme for revitalizing our inner cities and providing property tax relief for our homeowners and not simply to direct it with our highest priority being to agricultural producers. Thank you, Mr. Speaker. I withdraw the amendment.

SPEAKER WITHEM: Thank you, Senator Hilgert. The amendment is withdrawn. Mr. Clerk, any items for the record?

CLERK: Mr. President, amendments to be printed, Senator Withem. (Re: LB 299) Attorney General's Opinion to Senator Jones. (Re: LB 1260) Communication from the Governor to the Clerk: (Read communication re: LB 906, LB 938, LB 1041, LB 1047, LB 1048, LB 1072, LB 1073, LB 1122, LB 1123, LB 972, and LB 1028.) And study resolutions: 369 by Senator Schrock, 370 by Senator Landis, 371 by the 309 Committee. (See pages 1485-95 of the Legislative Journal.)

Mr. President, the next amendment, Senator Will. Senator, I have a note you want to withdraw AM3839?