

March 26, 1979

LB 175

SPEAKER MARVEL: Excuse me just a minute. There seems to be a recording unit on that affects the discussion. Is there a radio or a recording unit? Can you please turn it down. We need to record off the floor of the Legislature please. We are in session. Thank you. Now, Senator Simon, would you repeat what you just said?

SENATOR SIMON: The amendment to the committee amendments is merely clarifying language and I would move for the adoption of the amendment to the committee amendments.

SPEAKER MARVEL: Are we ready for the...? Okay, the motion is the Simon amendment to the committee amendments to LB 175, right? All those in favor of the amendment vote aye, opposed vote no. Record.

CLERK: 16 ayes, 0 nays on the amendment to the committee amendments.

SPEAKER MARVEL: The amendment to the committee amendments are adopted. The Chair recognizes Senator Reutzel.

SENATOR REUTZEL: Mr. Speaker, members of the body, I move the adoption of the committee amendments as amended. LB 175, Senator Simon's bill, is a proposal for an amendment which will authorize the Legislature to provide tax exemptions for improvements to property. As originally drafted the bill would have given the Legislature complete freedom to determine what types of improvements would be eligible for exemption, but the Legislature would not have the authority to specify the amount of the exemption. The exemption would apply to improvements upon a maximum increase of 50% of the value of the property as of the most recent valuation. The committee amendments will strike all of the original language and insert a new provision which simply provides that the Legislature by general law and upon any terms, conditions and restrictions as prescribed may provide for a period not to exceed five years, relief from taxation, the increase in the assessed valuation of existing structures. All right, there are three basic changes then with the new language. First of all, only improvements made to existing structures are eligible for the exemption so there will be no exemption for new home construction. Secondly, the amount of tax exemption will be established by law and this is something which can better be addressed by the Legislature rather than by... or by statute rather than by constitutional amendment and, third, an exemption cannot be claimed for longer than five years. Senator Simon came to our committee with these amendments. In part he has no