

April 2, 1979

LB 175

Senator DeCamp wants to build a new house, doesn't mean that I should have the exemption and he should not. After all he's spending more money than I am so he is really entitled to more than I should be. So, I think the amendment is very fair and I move for its adoption.

SPEAKER MARVEL: Senator Maresh, do you wish to talk to the Nichol amendment? Senator Koch, do you wish to...okay. Senator Johnson, do you wish to talk to the Nichol amendment? Okay, I'll recognize you.

SENATOR JOHNSON: Mr. President and members of the Legislature, I would reject the Nichol amendment, not because it's not well intended, and it really is, but rather because LB 175, in my opinion, is speaking to the need that we have in this state to eliminate tax disincentives to modernization of property. I own the house in which I live. My house is in an older part of the city. My house is in a part of a community that actually is getting older, declining, blighting, and so on. When I decide to take my money and put it into my house to fix it up, I do it for very personal reasons. I want to live in a nice house, but I also recognize that if I fix up my house it has a salutary effect upon the entire neighborhood. Now the one thing that disturbs me and disturbs any homeowner in this circumstance is the fact that upon fixing up our houses, upon repairing our property, we find that our real estate assessment increases, and as a result of the increase, our taxes increase. So the hard earned dollars that we have put into, and the sweat and labor that we have put into renovating our properties does not pay off as dramatically as it ought to because of the new tax bite. LB 175 deals with that tax bite. I don't think we need to have a comparable elimination of the disincentive through providing special tax relief for new construction. In my opinion, new construction will occur irrespective of the tax bite, but renovation of existing properties is a different story, and that's where we do need that kind of elimination or curtailment, or melioration of the existing disincentives which our property tax law have on such rehabilitation and improvement of older properties. That's why I would support LB 175, and I would reject the Nichol amendment.

SPEAKER MARVEL: Senator Simon, do you wish to speak to the Nichol amendment?

SENATOR SIMON: Mr. President and members of the body, I rise to most strenuously object to Senator Nichol's amendment. This will certainly kill the bill. Senator Kahle is