

oppose it, not that I am against the elderly or the low income or the ones that are on fixed income. The bad thing about this is that you can have a very good income and still qualify. A number of things, income that people get, there is a long, long list that does not affect the income to this group. The guideline that the county assessors use is the adjusted gross income and the adjusted gross income does not include Social Security, some of the railroad retirement, interest on tax bonds, many, many other exemptions to the income.

PRESIDENT: May we have order in the Chamber, please. (Gavel.)

SENATOR NELSON: It can be a farm loss or an income, either one is involved. There is a long, long list of things that do not contribute to the gross adjusted income. Pensions, patronage dividends, reimbursements for expenses, uncollectable rent, sale and exchange of residence and many, many things. If a person is on Social Security you have tax exempt bonds, many, many types of income, you could realize an income of \$20,000 or \$25,000 very easy and still qualify under these guidelines. I think in the times that we have today it just entirely puts too many people out of the tax field. In my area including apartment houses, \$50,500 is the average residential value. If you raise this to \$45,000 you have eliminated about 20 percent of the people as taxpayers. This same group of taxpayers, not that I don't feel sorry for them, particularly the ones on fixed income, but they enjoy the libraries, the police, the fire protection, the free fishing, our highways and so on. They have extra income tax exemptions. They have 10 percent discounts, many, many benefits that are not enjoyed by the average working person and I know that in our discussion earlier in the year it seemed like \$39,000 plus was the average value of the home in the State of Nebraska. So you can see that this class of people would be entirely free of paying any property tax whatsoever and as you know it is the bottom line on the equalization formula. So if they do not pay tax it's simply again passed on to the younger worker, the farmer, the businessperson because somebody is going to pay that tax. I'll refer to Douglas County.

PRESIDENT: (Gavel.)

SENATOR NELSON: Douglas County Assessor's letter, from