

is...the Supreme Court has made it very clear that all property must be treated equitably and that personal property must be put back on and I support that and I realize that that is going to have to cause some adjustments. But it's very clear that we do have to put it all back on or our real estate property evaluation is in jeopardy. But this is not the way to do it, not in this amendment, to do this haphazardously piecemeal and put in jeopardy those contracts that we signed under LB 775. The Department of Revenue assured me that they would interpret this retroactively, that, indeed, those contracts would be considered null and all of those who have relied on that contract would then have to go into court and sue for breach of contract. I don't think that's the way to go and I don't think that we should be doing this in this amendment. So I oppose the Hall amendment.

**SPEAKER BAACK:** Thank you, Senator Pirsch. Senator Will.

**SENATOR WILL:** Thank you, Mr. Speaker, members of the body, what Senator Moore said is absolutely correct, what we can't allow this debate to generate...to degenerate into is simply a business versus agriculture versus homeowners. We can't segment this completely. We need to find a solution that is equitable for all concerned and I think that's...one element of that solution is what Senator Hall and I are proposing with this amendment and that is that the business community needs to recognize that the...whatever property tax system we have down the line, once we have a solution to the...a permanent solution that, hopefully, we will arrive at prior to next session. Barring fundamental constitutional changes, we have a potential out there for our property tax system to be challenged because we're allowing these personal property tax exemptions to corporations that qualify under LB 775. I think it's important, the aspect of this debate this morning has sometimes taken on an either pro-LB 775 or anti-LB 775 aspect and I think that that's not the proper way to look at this. I think looking at this in the context of 775 as a whole, this is a very small part of the business incentives that were provided under that piece of legislation. The Department of Revenue tells me that the entire revenue that is lost statewide under 775, under this particular provision, this property tax exemption, is about \$2.6 million. Now when you put that in the context of the sales and income tax credits that are earned by corporations statewide under LB 775, it's minuscule and we're talking about tens of millions of dollars in sales and income tax credits that are earned by