

March 11, 1992

LB 1063
LR 219

equipment and livestock that is on the tax rolls, or to decrease it? What would be the procedure under that standard (interruption)?

SENATOR WITHEM: If the constitutional amendment is in place and somebody then wanted to change the existing property tax base?

SENATOR SCHMIT: Right.

SENATOR WITHEM: A bill would be introduced into the Legislature. It would either be passed or failed. If it passed, it would become part of the law of the state. If people disagreed with how it complied with the Constitution, a lawsuit would be filed.

SENATOR SCHMIT: If, for example, a statute were...a bill were introduced next session that said, said depreciable classes of livestock and equipment would be taxed, that all classes would be taxed or nondepreciable as well as depreciable would be taxed, there would be no limitation to that, is that right?

SENATOR WITHEM: I am not sure I understand the question.

SENATOR SCHMIT: Well, I will put it in a different way. At the present time, fat cattle are exempt from taxation under 219CA. If I wanted to introduce a bill next session that would tax fat cattle in the feedlots, would that be permissive under 219CA?

SENATOR WITHEM: Yeah, I don't read that constitutional amendment as saying that they are exempt. I see the LB 1063, because of the depreciated methodology, as saying that they are exempt, and I think 219 would give you the oppor...the Legislature the opportunity in future years to tax all property on an ad valorem basis, and livestock in feedlots would be, in my opinion, it would be permissible under the authority given us in 219CA to pass legislation in the future to tax all personal property on an ad valorem basis. Is that close to answering your question?

SENATOR SCHMIT: Yes, thank you, Senator. You have answered the question exactly in the manner which cannot be misunderstood which is an advantage...

PRESIDENT MOUL: One minute.