

May 4, 1979

LB 585

be able to settle or be willing to settle for the same percentage that Senator DeCamp is saying that we now pay on real estate. Now that may be the fault of the assessor or the fault of the people that made the returns, but I have a feeling that we never had a very good percentage of the personal property ever taxed. The hue and cry of our people is just exactly the opposite of what Senator DeCamp is trying to tell you. The hue and cry of our people is that we are not getting back enough money for the personal tax refund. Now I agree with Senator Warner there is nothing we are going to be able to do about that, especially in this session. I believe it is \$62.5 million this year. It will go to \$70 million next year. It is in the law. We have heard from practically all the counties that this is not anywhere near replacing what they are losing. So I think this is certainly going in the wrong direction. Perhaps we need to look at this a little closer but my personal opinion is that we have never been able to tax personal property at anywhere near the full value of what is in the State of Nebraska. So I think we are completely off in this concept. Thank you.

SPEAKER MARVEL: Senator Burrows. We are on the DeCamp amendment to LB 585.

SENATOR BURROWS: Mr. Chairman, members of the body, part of what Senator DeCamp said was the truth but he drew some conclusions that are slightly erroneous. First of all, he turned the word "actual" value and he said that the current appraisals were put in or the recent appraisals on personal property were at one hundred percent of actual value while real estate never came close to this figure. He did not interpret what the state law says as far as actual value which also includes an earnings factor in the definition of actual value upon this real estate. Now since agriculture has been earning about three or four percent a year, it would probably only justify on the basis of earnings approximately one third the real estate of what current sales are and I am talking about isolated current sales on things. Now the real estate of few individuals in any township are able to set up a very high land sale price on one or two farms in that township and that is not a valid basis for an actual value for the basis of taxation, while in the personal property, we have many, we have a flowing view of sales and a very close relationship in the personal property between the actual sales which are numerous with the free flowing market to what the actual value would be. Now the proponents of 518, going back, were saying they reimbursed the loss to the counties and