

February 18, 1982

LB 706

halls and a grocery store and an automatic toilet facility. That is the extent of our facilities and I don't know what is going to happen on the...to the east side of the street if we declare the west side a blighted area and someone comes in and decides to develop it and we increase the tax on the existing business. I think that we can take another look at the agricultural area, for example. It is kind of interesting as has been pointed out, we want to encourage development but whether we do it in this manner or in any other manner, the result is always going to be an increase in taxation. A farmer who buys a piece of land and develops it, improves it, levels the land, installs an irrigation system and increases the valuation by a \$100,000 or \$150,000 will find himself the very next year taxed upon that valuation. That is the way the system works. We have not objected to that. But can you imagine, for example, for many years Boone County was considered to be one of the most depressed counties in the nation back in the thirties. Real estate men will tell you today that that stigma still remains with Boone County. I don't know if Senator DeCamp is aware of that or not, even though he represents the area as does some other people who have worked hard on that area. But the point is it is a depressed area. It is an area that has gone through serious economic conditions. Are we to assume then that if we follow this philosophy, there ought to be some measure of encouragement for persons who would move to Boone County and establish a business, build a home, improve a farm or a ranch? I don't think you can perhaps do that. I think that a few years ago, for example, in the small community of Bellwood you could buy a lot for \$100 or less. Today those lots have become valuable property. Why? Because people want to leave the more congested areas. I guess that is kind of a joke to some people when you call Columbus and Schuyler a congested area, but they want to live in a small community. I don't think you are really going to be able to shift the population or shift the businesses by this type of property tax abatement. As Senator Kahle has pointed out, we are striking at the local taxing authority but we are striking with a hatchet and we are nicking it a little bit here and there and not really doing very much for the basic overall structure. But eventually... eventually I would assume that given the innovation of the human mind, we will find tremendous expansion of this idea, until the local taxing authority will come back to this Legislature and I have been a part of some of those other exemptions in the past...I will take my responsibility, it will come back and say, the Legislature took these

7779