

amendment, which is forthcoming, should be adopted. I would like to ask that you reject Senator Schmit's amendment at this time. As far as his other amendment, I will speak to that when we get to it, but basically as I understand what Senator Schmit is saying, he does not trust this Legislature or future Legislatures, I should say, on how we might determine tax values in the state as it relates to ag land. What LR 2 really is doing, this is an issue of tax treatment. Basically we are talking about the tax structure that we are going to use to determine ag land's value and to provide that those values need not be uniform with other types of property, specifically, residential, commercial, and industrial. It doesn't tell us how to value it. We can use...continue to use the earnings capacity which I would like to see this body allow us to do, but it does not tie our hands to do that. We can choose to go to some other valuation formula, just as when we passed...the state passed Amendment 4, we implemented the earnings capacity with LB 271. We could come back in and rewrite the tax law for ag land, and as Senator Schmit has indicated, we could rewrite it in a fashion which can be higher than it is now or lower. This is not preferential tax treatment. As I see it, it simply is allowing us as I would like to see ag land to be valued under an earnings capacity that brings about valuations that are not necessarily uniform and proportionate to all other classes of property.

PRESIDENT: One minute.

SENATOR R. JOHNSON: We are close. We are very close, as a matter of fact, in our valuation uniformity among all classes, more so today than we have ever been, but we are not quite there yet to a point at least that the courts would determine that we do have uniformity. So Amendment 2 is necessary. As I said, I would like to ask that the body reject this amendment and then take a look at the amendment that I will offer later which does accomplish what I consider to be a compromise with the subclass uniformity which I think Mr. DeCamp has indicated his client could accept.

PRESIDENT: Thank you. Senator Wehrbein, followed by Senator Pirsch.

SENATOR WEHRBEIN: Mr. President and members, so I can understand this very clear, I would like to ask Senator Schmit a question, and then I will go on with some comments.