

provides, as I said, more than just for homestead exemption. It provides all property, and that includes things like motorized boats and airplanes are now going to be exempt under this...not exempt but will have the tax relief under this bill. Cars don't, but boats will and airplanes will. And you start to go through the inequities of this and I think you're going to find out that the typical, average Nebraskan isn't going to be too keen about what this bill accomplishes. I think they'd much prefer something like this or the other proposals I've made. I think we should provide the relief to our homeowners, I think we should do it in the homestead exemption. I think \$405 is a much more attractive amount of money than \$130. As I said before, the typical figure that I've got, if you itemize, would be that you cut out about a third of your property tax relief with increases in income tax paid to the federal and state government because of the deductions would no longer be there from the property tax. So you knock off a third right off the bat for those 30 percent that itemize, and you really don't have much left when you add in the 4.7 percent average increase in property taxes that will occur. This is not going to show up very clearly, very much on the property taxpayers of this state. If you want to really see a difference, if you want to really make an impact you'll want to target and focus better, and that's what this amendment would do. Again, it would call for about \$405 average tax relief for our homeowners through a homestead exemption. And I would move for the return of the bill for that amendment.

PRESIDENT: Thank you. Senator Elmer, please.

SENATOR ELMER: Thank you, Mr. President. Senator Wesely has talked about the sales tax being regressive. Property tax is the most regressive tax we have. Whether you make income or not on a business, you pay the property tax. Whether you make money or not on your agricultural operation, you pay the property tax. If you want a fair tax, you throw away property tax altogether and replace it with some income taxes as a subsidy to those local governments. He's not approaching this plan realistically at all, sharing it with only a few urban homestead people. I'd reject this amendment and ask you not to return it to Select File.

PRESIDENT: Thank you. Senator Lamb, please, followed by Senator Langford.