

March 5, 1992

LB 1063
LR 219

SENATOR WARNER: The rate that would be...the tax rate that would be applied to the personal property that was being taxed at a level of depreciable value, that tax rate would be uniform and the same as the tax rate on real property.

SENATOR HALL: Okay, so is it possible, under that scenario, that what could happen is that in order to, when you have a, say, an outflow, for example, or a bunch of depreciated property that falls off, in other words, it has used up its depreciated life, it is no longer paying taxes, that that rate, although it would be spread equally across the personal and real property, would fall over onto real property?

SENATOR WARNER: Senator Hall, as I understand your question, it is not possible to do. If you are asking me...the only thing this amendment prohibits is to having more than one tax rate within a given governmental subdivision to be applied to all property that is being valued. You have to have a single rate. You couldn't have one rate for houses, and another tax rate for something that you could make the classifications, another tax rate for personal property, another class rate for something else, that the rate would be uniform, which is what we are all accustomed to now in any event, but it precludes future Legislatures from attempting to have nonuniform rate within a governmental subdivision.

SENATOR HALL: Thank you, Senator Warner. Mr. President and members, I rise to oppose the amendment. Clearly what we are doing is closing the door on just that, having the ability down the road to having a separate rate for a separate class of property. We are moving in a direction where we are dealing with different classes of property in different methods. We treat...

SENATOR CONWAY PRESIDING

SENATOR CONWAY: One minute.

SENATOR HALL: ...real estate on an ad valorem basis. We treat agriculture on a reduced ad valorem basis. We treat...and with an income scheme thrown in on the ag side. We are now through LB 1063 attempting to deal with personal property on a net book value approach, but we want to make sure that all the rates are the same. I guess I would argue that the individual that is