

March 10, 1992

LB 1063
LR 219

protection from arbitrary classifications and exemptions, so that the Legislature couldn't run wild with exemptions. I think we all know that given the opportunity the Legislature certainly has the capability of doing so. The date, when I originally thought of was intended to try to...I am not sure how LB 1063 ties in with LR 219. The date was intended to make clear that LB 1063, which was passed before that date during this year, would be constitutional, that some of those arguments would not be applied to that. Senator Kristensen's suggestion about, and I think Senator Warner also was uncomfortable with having a date in there, and their suggestions are well taken. I think that it would be wise to remove the date, and I will be voting in favor of the Kristensen amendment.

PRESIDENT MOUL: Thank you, Senator Lindsay. Senator Warner.

SENATOR WARNER: Madam President and members of the Legislature, I want to go back and talk a little about the constitutional amendment, itself, because there seems to be a presumption that some how or other the amendment that we are discussing affects LB 1063. The constitutional amendment, and we discussed it at length on General File, has three methods in which the Legislature can consider the taxation of personal property; one spelled out deals with what is in LB 1063, depreciable and nondepreciable property, two classes of property with the same method of depreciation. The second method, which is what is contained in the Constitution now would authorize to have personal property at market value. It says valuation, the courts have repeatedly defined that valuation is market value or sales price. And that is the second system, you can't intermingle them, one or the other. Then there is a third system, which is also in the Constitution now, and that is the exemption. And those of you who want to exempt personal property, all or some, need to have that provision in the Constitution. Now what Senator Lindsay is doing with his amendment is attempting to tighten up the entire amendment, to tighten up how you can exempt. He restricts exemptions in classifications. This does not deal with...that being the case, then it should not apply one way before December 31, 1992, and a different way after that date. It ought to be the same, when you exempt. It applies not at all to the route of considering personal property as depreciable or nondepreciable. It doesn't apply if it is valuation, but it does apply, his concept that we are discussing, it does apply when you are looking at exemptions. And I have been supportive, we attempted to tighten