

April 1, 1992

LB 1135

PRESIDENT MOUL: Thank you, Senator Conway. Senator Chambers.

SENATOR CHAMBERS: Madam President and members of the Legislature, I would like to ask Senator Hall a question. Now, Senator Hall, as you pointed out when you...if you are able to negotiate the seller of a car down to a certain level, you don't pay your sales tax on the basis of what you negotiated to pay for the car, but what the value of the car would be in the...

SENATOR HALL: No, you pay the sales tax on what you negotiate. You pay the personal property tax on what is in the book.

SENATOR CHAMBERS: Okay, so I'm with you again. Now, let's say that I purchase a house. I want to get your house, and you sell it to me for \$1, which we can do.

SENATOR HALL: Right.

SENATOR CHAMBERS: Are my taxes based on \$1?

SENATOR HALL: In my case and my house....

SENATOR CHAMBERS: Well, Tim, come on...

SENATOR HALL: No.

SENATOR CHAMBERS: In the ordinary set of circumstances?

SENATOR HALL: No. No, they are not.

SENATOR CHAMBERS: Okay, so a value is assessed other than based on what I actually paid for it?

SENATOR HALL: Correct, but the difference, Senator Chambers, is that the purchase price in terms of the automobile, and the purchase price in terms of the house, is you are paying on for that house, there are services that are provided. There is all kinds of governmental services that are provided for that house. There are very few, I believe, services that are provided for the use of that vehicle that you don't pay for through other taxes, that being sales tax and gas tax...

SENATOR CHAMBERS: Um-hmm.