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as I was in the committee. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Connealy. Senator Louden, followed by Senator Smith and others.

SENATOR LOUDEN: Thank you, Mr. President and members of the body. As I listen to the debate and as I've read this bill here, there's maybe this is going to help somebody, maybe it isn't; and maybe it's tax neutral, and maybe it isn't. And what will it do in the future if the interest rates change? There's so many variables here that I question it, because I think, as Senator Heidemann had put out, the county assessors are going to have to do a lot more bookwork in order to get everybody to ask to file for an exemption, and then after they do file then it's up to the county assessors to subsequently see that they're still eligible for their homestead exemption and what they're doing. So I would like to ask Senator Redfield some questions, if I may.

SENATOR CUDABACK: Senator Redfield, would you yield to a question?

SENATOR REDFIELD: Yes.

SENATOR LOUDEN: Senator Redfield, on rural farm and ranch homesteads, at the present time they're valued separately from the rest of the farm and ranch land there. How will this affect our homestead exemptions on farm and ranch? Do you...if there's large mortgages on a ranch or farm, do you prorate that out for the farmstead and then deduct that, and then you won't be able to deduct the interest from that amount that's prorated out towards that farmstead?

SENATOR REDFIELD: Senator, if your farm has one loan which incorporates all of the land and the buildings thereon, that would remain deductible as a business expense under your farm, but you would not qualify for the homestead exemption for the building because you've claimed that deduction. And so you've made it, in essence, commercial property or ag property. If, in fact, you had a homestead on the property that was grandfather's house and it was totally paid for, and you had no loan on that,