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you could separate that out from the farm and you could receive the homestead exemption on that. At the same time, you would continue to have the deductible expenses for the farm property as well.

SENATOR LOUDEN: Are you quite sure on that? Because as we have our farm and "ranchsteads" on these operations, they're figured like residential property and you pay your taxes accordingly. But when you go down to the bank, why, the whole thing is mortgaged together. I would question where this is going to come out. I think at the present time you can get homestead exemption on your house that's on a farmstead. Are you quite sure that your information is correct?

SENATOR REDFIELD: I can double-check on that for you, Senator, but it would be my assumption that if the loan on the house is merged into the ag land, that it would actually be a business expense. So I think it would have to be separate, but I could double-check on that for you.

SENATOR LOUDEN: Okay.

SENATOR REDFIELD: Are you familiar with how it would work if you are over 65 and had a homestead exemption under the current program?

SENATOR LOUDEN: You can get a homestead exemption now if you fall in the right categories for income and over 65 and that sort of thing. I'm not completely familiar with it. I think Senator Stuthman mentioned it awhile ago. I think he's quite familiar with it and I kind of go with the figures that he put out on it. One other question I have for you. By taking some of these homestead exemptions then off of these farmsteads, because when you do this then everyone can take this homestead exemption, how does that affect your school and your county funding, your mill levies? Because they will be property that will be...would it be coming off the tax rolls or how will that be adjusted? Will it affect...

SENATOR CUDABACK: One minute.