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FLOOR DEBATE

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taxable amount of your valuation on agriculture land from 80 to 70. It was a compromise that the committee put it in the package and brought it down to 75 percent. And I would like to also speak a little bit to Senator Beutler's concerns. We're really talking a little bit about two different things. Agriculture land is what we're speaking about right now. And because of the imbalance, and it's growing considerably as we go along, this is only to bring that balance back into proportion a little bit. We're not trying to bring property tax down. And there's been a lot of effort, and really, the state aid formula was for that purpose, and it did. If I had my druthers, what Senator Beutler was talking about was that we would still leave that on the table to look at in two years, whether we'd bring it back to \$1 from \$1.05 or not, still, see what the revenue picture is in two years, that we could still look at that. Some figures that I have is that farmland, about 59 percent of the farmland is being bought by farmers right now, and about 3 percent, 2.5 to 3 percent, is all the land that sells in a year. Now, a lot of it now is being purchased by nonagriculture people, and for 1031 tax exchange purposes. Now, I would love to, if somebody wants to pay that much money, tax them higher. But unfortunately, when they buy the land at that prices that they are right now for the 1031 tax exchange, that drives up the valuation for everybody out there, and it's throwing it more and more out of balance all the time. Senator Brashear handed out a piece of paper--and I think you probably heard me mention it several times--about three years ago, when we was talking about changing the person...or the sales tax, that the average farmer, and I think in the year of, I think, from '97 to 2004, paid somewhere in the 29 to 30 percent of their net income in property taxes. Now, we're talking about ag land, the land only. The farmer pays 100 percent on his house, on his grain bins, the feedlots, anything that's not the land, which is probably three or four times more than what the average home is...the value...the property tax amount is in the city. But then you tax the tools besides that. You tax his land, you tax his machinery. If you put a well down, it drives up the valuation of the land. It goes up. And we are the highest taxed of any states around us. Senator Coordsen, a few years ago, tried to pass a bill that the tax on the land was taxed on the basis of production rather than the value. He was not able