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March 27, 2006      LB 407, 808

SENATOR KOPPLIN: My mistake. My apologies.

SENATOR CUDABACK: It is withdrawn.

CLERK: Senator, I'm sorry about that. Senator Kopplin, I now have AM2908, Senator. (Legislative Journal pages 1190-1192.)

SENATOR CUDABACK: Senator Kopplin, you're now recognized on AM2908.

SENATOR KOPPLIN: Okay. My apologies. Again, what this amendment will do is reinstate the language dealing with the greenbelt or special valuation recapture, which was removed by the adoption of the committee amendment. Current statute on recapture provides that when land no longer qualifies for special valuation, the assessor, in addition to charging the taxpayer the difference between special valuation and the recapture valuation, which is 80 percent of the actual valuation of land, shall also charge 6 percent interest. This amendment removes the language requiring the 6 percent interest, is also changed. There was some mention on General File that recapture was purely punitive. I don't agree with that. I believe the owner has received a substantial tax break on this land that could have been valued at a higher valuation, and the county is justified in receiving some compensation for subsidizing that lower value. However, it does seem a little punitive to charge interest on the amount owed. It is assumed that the taxpayer was paying the taxes required on the land while it was receiving special valuation, and the taxes weren't delinquent, so charging interest does seem a bit unfair. So with this amendment, the recapture amount would just be the difference between the special valuation and the recapture valuation, with no interest charged on the amount owed. This amendment also leaves intact the new definitions of agriculture and horticulture use, which were part of the committee amendment and the original bill, LB 407. It only reinstates the recapture language, minus the interest payment requirement. I believe the revenue from recapture is important to the county, school district, and other political subdivision receiving property tax revenue, and that the burden on the county assessor is not excessive. In looking