

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 924

Introduced by McKinney, 11.

Read first time January 04, 2024

Committee:

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
2 77-3501, 77-3501.01, 77-3505.02, 77-3506.02, 77-3506.03, 77-3509.01,
3 77-3509.03, 77-3510, 77-3511, 77-3514, 77-3516, 77-3521, and
4 77-3529, Reissue Revised Statutes of Nebraska, sections 77-3517 and
5 77-3523, Revised Statutes Cumulative Supplement, 2022, and sections
6 77-3512, 77-3513, 77-3522, and 77-4212, Revised Statutes Supplement,
7 2023; to define a term; to provide a homestead exemption for
8 individuals that reside in qualified census tracts; to harmonize
9 provisions; to repeal the original sections; and to declare an
10 emergency.

11 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-3501, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 77-3501 For purposes of sections 77-3501 to 77-3529 and sections 4
4 and 7 of this act, unless the context otherwise requires, the definitions
5 found in sections 77-3501.01 to 77-3505.05 and section 4 of this act
6 shall be used.

7 Sec. 2. Section 77-3501.01, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 77-3501.01 (1) For purposes of section 77-3507, exempt amount shall
10 mean the lesser of (a) the taxable value of the homestead or (b) one
11 hundred percent of the average assessed value of single-family
12 residential property in the claimant's county of residence as determined
13 in section 77-3506.02 or forty thousand dollars, whichever is greater.

14 (2) For purposes of section 77-3508 and section 7 of this act,
15 exempt amount shall mean the lesser of (a) the taxable value of the
16 homestead or (b) one hundred twenty percent of the average assessed value
17 of single-family residential property in the claimant's county of
18 residence as determined in section 77-3506.02 or fifty thousand dollars,
19 whichever is greater.

20 (3) For purposes of section 77-3506, exempt amount shall mean the
21 taxable value of the homestead.

22 Sec. 3. Section 77-3505.02, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 77-3505.02 Maximum value shall mean:

25 (1) For applicants eligible under section 77-3507, two hundred
26 percent of the average assessed value of single-family residential
27 property in the claimant's county of residence as determined in section
28 77-3506.02 or ninety-five thousand dollars, whichever is greater; and

29 (2) For applicants eligible under section 77-3508 and section 7 of
30 this act, two hundred twenty-five percent of the average assessed value
31 of single-family residential property in the claimant's county of

1 residence as determined in section 77-3506.02 or one hundred ten thousand
2 dollars, whichever is greater.

3 Sec. 4. Qualified census tract means a qualified census tract as
4 defined in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on
5 January 1, 2024.

6 Sec. 5. Section 77-3506.02, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 77-3506.02 After county board of equalization action pursuant to
9 sections 77-1502 to 77-1504.01 and on or before September 1 each year,
10 the county assessor shall certify to the Department of Revenue the
11 average assessed value of single-family residential property in the
12 county for the current year for purposes of sections 77-3507 and 77-3508
13 and section 7 of this act.

14 The county assessor shall determine the current average assessed
15 value of single-family residential property from all real property
16 records containing dwellings, mobile homes, and duplexes all of which are
17 designed for occupancy as single-family residential property and any
18 associated land not to exceed one acre.

19 The county assessor shall also report to the Department of Revenue
20 the computed exempt amounts pursuant to section 77-3501.01.

21 Sec. 6. Section 77-3506.03, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 77-3506.03 For homesteads valued at or above the maximum value, the
24 exempt amount for any exemption under section 77-3507 or 77-3508 or
25 section 7 of this act shall be reduced by ten percent for each two
26 thousand five hundred dollars of value by which the homestead exceeds the
27 maximum value and any homestead which exceeds the maximum value by twenty
28 thousand dollars or more is not eligible for any exemption under section
29 77-3507 or 77-3508 or section 7 of this act. This section shall not apply
30 to any exemption under section 77-3506.

31 Sec. 7. (1)(a) All homesteads in this state shall be assessed for

1 taxation the same as other property, except that there shall be exempt
2 from taxation, on any homestead described in subdivision (b) of this
3 subsection, a percentage of the exempt amount as limited by section
4 77-3506.03. The exemption shall be based on the household income of a
5 claimant pursuant to subsections (2) through (4) of this section.

6 (b) The exemption described in subdivision (a) of this subsection
7 shall apply to homesteads of individuals that reside in qualified census
8 tracts.

9 (2) For 2024, for a married or closely related claimant as described
10 in subsection (1) of this section, the percentage of the exempt amount
11 for which the claimant shall be eligible shall be the percentage in
12 Column B which corresponds with the claimant's household income in Column
13 A in the table found in this subsection.

<u>Column A</u>	<u>Column B</u>
<u>Household Income</u>	<u>Percentage</u>
<u>In Dollars</u>	<u>Of Relief</u>
<u>0 through 30,000</u>	<u>100</u>
<u>30,001 through 31,700</u>	<u>90</u>
<u>31,701 through 33,400</u>	<u>80</u>
<u>33,401 through 35,100</u>	<u>70</u>
<u>35,101 through 36,800</u>	<u>60</u>
<u>36,801 through 38,500</u>	<u>50</u>
<u>38,501 through 40,200</u>	<u>40</u>
<u>40,201 through 41,900</u>	<u>30</u>
<u>41,901 through 43,600</u>	<u>20</u>
<u>43,601 through 45,300</u>	<u>10</u>
<u>45,301 and over</u>	<u>0</u>

28 (3) For 2024, for a single claimant as described in subsection (1)
29 of this section, the percentage of the exempt amount for which the
30 claimant shall be eligible shall be the percentage in Column B which
31 corresponds with the claimant's household income in Column A in the table

1 found in this subsection.

2	<u>Column A</u>	<u>Column B</u>
3	<u>Household Income</u>	<u>Percentage</u>
4	<u>In Dollars</u>	<u>Of Relief</u>
5	<u>0 through 25,000</u>	<u>100</u>
6	<u>25,001 through 26,400</u>	<u>90</u>
7	<u>26,401 through 27,800</u>	<u>80</u>
8	<u>27,801 through 29,200</u>	<u>70</u>
9	<u>29,201 through 30,600</u>	<u>60</u>
10	<u>30,601 through 32,000</u>	<u>50</u>
11	<u>32,001 through 33,400</u>	<u>40</u>
12	<u>33,401 through 34,800</u>	<u>30</u>
13	<u>34,801 through 36,200</u>	<u>20</u>
14	<u>36,201 through 37,600</u>	<u>10</u>
15	<u>37,601 and over</u>	<u>0</u>

16 (4) For exemption applications filed in calendar year 2025 and each
 17 calendar year thereafter, the income eligibility amounts in subsections
 18 (2) and (3) of this section shall be adjusted by the percentage change in
 19 the Consumer Price Index for All Urban Consumers published by the federal
 20 Bureau of Labor Statistics from the twelve months ending on August 31,
 21 2023, to the twelve months ending on August 31 of the year preceding the
 22 applicable calendar year. The income eligibility amounts shall be
 23 adjusted for cumulative inflation since 2024. If any amount is not a
 24 multiple of one hundred dollars, the amount shall be rounded to the next
 25 lower multiple of one hundred dollars.

26 Sec. 8. Section 77-3509.01, Reissue Revised Statutes of Nebraska, is
 27 amended to read:

28 77-3509.01 If an owner of a homestead applies for an exemption under
 29 section 77-3506, 77-3507, or 77-3508 or section 7 of this act for any
 30 year and such owner subsequently becomes the owner of another homestead
 31 prior to August 15 of such year, the owner may file an application with

1 the county assessor of the county where the new homestead is located for
2 a transfer of the exemption to the new homestead. The owner shall file
3 the application for transfer with the county assessor on or before August
4 15 of such year or within thirty days after receiving a notice of
5 rejection on the owner's application for exemption for the original
6 homestead. The county assessor shall examine each application for
7 transfer and determine whether or not the new homestead, except for the
8 January 1 through August 15 ownership and occupancy requirement and the
9 income requirements, is eligible for exemption under section 77-3506,
10 77-3507, or 77-3508 or section 7 of this act. If the application for
11 transfer is approved by the county assessor, he or she shall make a
12 deduction upon the assessment rolls using the same criteria as previously
13 applied to the original homestead. The county assessor may allow the
14 application for transfer to also be considered an application for a
15 homestead exemption for the subsequent year.

16 Sec. 9. Section 77-3509.03, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 77-3509.03 All property tax statements for homesteads granted an
19 exemption in sections 77-3506, 77-3507, and 77-3508 and section 7 of this
20 act shall show the amount of the exemption, the tax that would otherwise
21 be due, and a statement that the tax loss shall be reimbursed by the
22 state as a homestead exemption.

23 Sec. 10. Section 77-3510, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 77-3510 On or before February 1 of each year, the Tax Commissioner
26 shall prescribe forms to be used by all claimants for homestead exemption
27 or for transfer of homestead exemption. Such forms shall contain
28 provisions for the showing of all information which the Tax Commissioner
29 may deem necessary to (1) enable the county officials and the Tax
30 Commissioner to determine whether each claim for exemption under sections
31 77-3506, 77-3507, and 77-3508 and section 7 of this act should be allowed

1 and (2) enable the county assessor to determine whether each claim for
2 transfer of homestead exemption pursuant to section 77-3509.01 should be
3 allowed. It shall be the duty of the county assessor of each county in
4 this state to furnish such forms, upon request, to each person desiring
5 to make application for homestead exemption or for transfer of homestead
6 exemption. The forms so prescribed shall be used uniformly throughout the
7 state, and no application for exemption or for transfer of homestead
8 exemption shall be allowed unless the applicant uses the prescribed form
9 in making an application. The forms shall require the attachment of an
10 income statement for any applicant seeking an exemption under section
11 77-3507 or 77-3508 or section 7 of this act as prescribed by the Tax
12 Commissioner fully accounting for all household income. The Tax
13 Commissioner shall provide to each county assessor claim forms and
14 address lists of applicants from the prior year in the manner approved by
15 the Tax Commissioner. The application and information contained on any
16 attachments to the application shall be confidential and available to tax
17 officials only.

18 Sec. 11. Section 77-3511, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 77-3511 The application for homestead exemption or for transfer of
21 homestead exemption shall be signed by the owner of the property who
22 qualifies for exemption under sections 77-3501 to 77-3529 and sections 4
23 and 7 of this act unless the owner is an incompetent or unable to make
24 such application, in which case it shall be signed by the guardian. If an
25 owner who in all respects qualifies for a homestead exemption under such
26 sections dies after January 1 and before the last day for filing an
27 application for a homestead exemption and before applying for a homestead
28 exemption, his or her personal representative may file the application
29 for exemption on or before the last day for filing an application for a
30 homestead exemption of that year if the surviving spouse of such owner
31 continues to occupy the homestead. Any exemption granted as a result of

1 such application signed by a personal representative shall be in effect
2 for only the year in which the owner died.

3 Sec. 12. Section 77-3512, Revised Statutes Supplement, 2023, is
4 amended to read:

5 77-3512 (1) It shall be the duty of each owner who wants a homestead
6 exemption under section 77-3506, 77-3507, or 77-3508 or section 7 of this
7 act to file an application therefor with the county assessor of the
8 county in which the homestead is located after February 1 and on or
9 before June 30 of each year, except that:

10 (a) The county board of the county in which the homestead is located
11 may, by majority vote, extend the deadline for an applicant to on or
12 before July 20. An extension shall not be granted to an applicant who
13 received an extension in the immediately preceding year;

14 (b) An owner may file a late application pursuant to section
15 77-3514.01 if he or she includes documentation of a medical condition
16 which impaired the owner's ability to file the application in a timely
17 manner;

18 (c) An owner may file a late application pursuant to section
19 77-3514.01 if he or she includes a copy of the death certificate of a
20 spouse who died during the year for which the exemption is requested;

21 (d) A veteran qualifying for a homestead exemption under subdivision
22 (2)(a) of section 77-3506 shall only be required to file an application
23 in every subsequent year evenly divisible by five; and

24 (e) If a veteran who has been granted a homestead exemption under
25 subdivision (2)(a) of section 77-3506 dies during the five-year exemption
26 period, the surviving spouse of such veteran shall continue to receive
27 such exemption for the remainder of the five-year exemption period. After
28 the expiration of the five-year exemption period, the surviving spouse
29 shall be required to file for an exemption under subdivision (2)(b) of
30 section 77-3506 on an annual basis.

31 (2) Failure to file an application as required in subsection (1) of

1 this section shall constitute a waiver of the exemption for the year in
2 which the failure occurred.

3 Sec. 13. Section 77-3513, Revised Statutes Supplement, 2023, is
4 amended to read:

5 77-3513 The county assessor shall mail a notice on or before April 1
6 to claimants who are the owners of a homestead which was granted an
7 exemption under section 77-3506, 77-3507, or 77-3508 or section 7 of this
8 act and who are required to refile for such exemption in the current year
9 unless the claimant has already filed the application for the current
10 year or the county assessor has reason to believe there has been a change
11 of circumstances so that the claimant no longer qualifies. The notice
12 shall include the claimant's name, the application deadlines for the
13 current year, a list of documents that must be filed with the
14 application, and the county assessor's office address and telephone
15 number.

16 Sec. 14. Section 77-3514, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 77-3514 A claimant who is the owner of a homestead which has been
19 granted an exemption under section 77-3506, 77-3507, or 77-3508 or
20 section 7 of this act may notify the county assessor by August 15 of each
21 year of any change in the homestead exemption status occurring in the
22 preceding portion of the calendar year as a result of a transfer of the
23 homestead exemption pursuant to sections 77-3509.01 and 77-3509.02. If by
24 his or her failure to give such notice any property owner permits the
25 allowance of the homestead exemption for any year after the homestead
26 exemption status of such property has changed, an amount equal to the
27 amount of the taxes lawfully due but not paid by reason of such unlawful
28 and improper allowance of homestead exemption, together with penalty and
29 interest on such total sum as provided by statute on delinquent ad
30 valorem taxes, shall be due and shall upon entry of the amount thereof on
31 the books of the county treasurer be a lien on such property while

1 unpaid. Such lien may be enforced in the manner provided for liens for
2 other delinquent taxes. Any person who has permitted the improper and
3 unlawful allowance of such homestead exemption on his or her property
4 shall, as an additional penalty, also forfeit his or her right to a
5 homestead exemption on any property in this state for the two succeeding
6 years.

7 Sec. 15. Section 77-3516, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 77-3516 The county assessor shall examine each application for
10 homestead exemption filed with him or her for an exemption pursuant to
11 section 77-3506, 77-3507, or 77-3508 or section 7 of this act and shall
12 determine, except for the income requirements, whether or not such
13 application should be approved or rejected. If the application is
14 approved, the county assessor shall mark the same approved and sign the
15 application. In case he or she finds that the exemption should not be
16 allowed by reason of not being in conformity to law, the county assessor
17 shall mark the application rejected, state thereon the reason for such
18 rejection, and sign the application. In any case when the county assessor
19 rejects an application for exemption, he or she shall notify the
20 applicant of such action by mailing written notice to the applicant at
21 the address shown in the application within ten days after the
22 application is rejected. The notice shall be on forms prescribed by the
23 Tax Commissioner.

24 Sec. 16. Section 77-3517, Revised Statutes Cumulative Supplement,
25 2022, is amended to read:

26 77-3517 (1) On or before August 1 of each year, the county assessor
27 shall forward the approved applications for homestead exemptions and a
28 copy of the certification of disability status that have been examined
29 pursuant to section 77-3516 to the Tax Commissioner. The Tax Commissioner
30 shall determine if the applicant meets the income requirements and may
31 also review any other application information he or she deems necessary

1 in order to determine whether the application should be approved. The Tax
2 Commissioner shall, on or before November 1, certify his or her
3 determinations to the county assessor. If the application is approved,
4 the county assessor shall make the proper deduction on the assessment
5 rolls. If the application is denied or approved in part, the Tax
6 Commissioner shall notify the applicant of the denial or partial approval
7 by mailing written notice to the applicant at the address shown on the
8 application. The applicant may appeal the Tax Commissioner's denial or
9 partial approval pursuant to section 77-3520. Late applications
10 authorized under section 77-3512 shall be processed in a similar manner
11 after approval by the county assessor. If the Tax Commissioner approves a
12 late application after any of the real estate taxes in question become
13 delinquent, such delinquency and any interest associated with the amount
14 of the approved exemption shall be removed from the tax rolls of the
15 county within thirty days after the county assessor receives notice from
16 the Tax Commissioner of the approved exemption.

17 (2)(a) Upon his or her own action or upon a request by an applicant,
18 a spouse, or an owner-occupant, the Tax Commissioner may review any
19 information necessary to determine whether an application is in
20 compliance with sections 77-3501 to 77-3529 and sections 4 and 7 of this
21 act. Any action taken by the Tax Commissioner pursuant to this subsection
22 shall be taken within three years after December 31 of the year in which
23 the exemption was claimed.

24 (b) If after completion of the review the Tax Commissioner
25 determines that an exemption should have been approved or increased, the
26 Tax Commissioner shall notify the applicant, spouse, or owner-occupant
27 and the county treasurer and assessor of his or her determination. The
28 applicant, spouse, or owner-occupant shall receive a refund of the tax,
29 if any, that was paid as a result of the exemption being denied, in whole
30 or in part. The county treasurer shall make the refund and shall amend
31 the county's claim for reimbursement from the state.

1 (c) If after completion of the review the Tax Commissioner
2 determines that an exemption should have been denied or reduced, the Tax
3 Commissioner shall notify the applicant, spouse, or owner-occupant of
4 such denial or reduction. The applicant, the spouse, and any owner-
5 occupant may appeal the Tax Commissioner's denial or reduction pursuant
6 to section 77-3520. Upon the expiration of the appeal period in section
7 77-3520, the Tax Commissioner shall notify the county assessor of the
8 denial or reduction and the county assessor shall remove or reduce the
9 exemption from the tax rolls of the county. Upon notification by the Tax
10 Commissioner to the county assessor, the amount of tax due as a result of
11 the action of the Tax Commissioner shall become a lien on the homestead
12 until paid. Upon attachment of the lien, the county treasurer shall
13 refund to the Tax Commissioner the amount of tax equal to the denied or
14 reduced exemption for deposit into the General Fund. No lien shall be
15 created if a change in ownership of the homestead or death of the
16 applicant, the spouse, and all other owner-occupants has occurred prior
17 to the Tax Commissioner's notice to the county assessor. Beginning thirty
18 days after the county assessor receives approval from the county board to
19 remove or reduce the exemption from the tax rolls of the county, interest
20 at the rate specified in section 45-104.01, as such rate may from time to
21 time be adjusted by the Legislature, shall begin to accrue on the amount
22 of tax due.

23 Sec. 17. Section 77-3521, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 77-3521 It shall be the duty of the Tax Commissioner to adopt and
26 promulgate rules and regulations for the information and guidance of the
27 county assessors and county boards of equalization, not inconsistent with
28 sections 77-3501 to 77-3529 and sections 4 and 7 of this act, affecting
29 the application, hearing, assessment, or equalization of property which
30 is claimed to be entitled to the exemption granted by such sections.

31 Sec. 18. Section 77-3522, Revised Statutes Supplement, 2023, is

1 amended to read:

2 77-3522 (1) Any person who makes any false or fraudulent claim for
3 exemption or any false statement or false representation of a material
4 fact in support of such claim or any person who knowingly assists another
5 in the preparation of any such false or fraudulent claim or enters into
6 any collusion with another by the execution of a fictitious deed or other
7 instrument for the purpose of obtaining unlawful exemption under sections
8 77-3501 to 77-3529 and sections 4 and 7 of this act shall be guilty of a
9 Class II misdemeanor and shall be subject to a forfeiture of any such
10 exemption for a period of two years from the date of conviction. Any
11 person who shall make an oath or affirmation to any false or fraudulent
12 application for homestead exemption knowing the same to be false or
13 fraudulent shall be guilty of a Class I misdemeanor.

14 (2) In addition to the penalty provided in subsection (1) of this
15 section, if any person (a) files a claim for exemption as provided in
16 section 77-3506, 77-3507, or 77-3508 or section 7 of this act which is
17 excessive due to misstatements by the owner filing such claim or (b)
18 fails to notify the county assessor of a change in status of a veteran
19 qualifying for a homestead exemption under subdivision (2)(a) of section
20 77-3506 which affected all or a portion of the exemption period,
21 including a change in rating, the death of the veteran, or a transfer of
22 property not covered by section 77-3514, the claim may be disallowed in
23 full and, if the claim has been allowed, an amount equal to the amount of
24 taxes lawfully due during the applicable exemption period but not paid by
25 reason of such unlawful and improper allowance of homestead exemption
26 shall be due and shall upon entry of the amount thereof on the books of
27 the county treasurer be a lien on such property until paid and a penalty
28 and interest on such total sum as provided by statute on delinquent ad
29 valorem taxes shall be assessed. Any amount paid to satisfy a lien
30 imposed pursuant to this subsection shall be paid to the county treasurer
31 in the same manner that other property taxes are paid, and the county

1 treasurer shall remit such amount to the State Treasurer for credit to
2 the General Fund. Any penalty collected pursuant to this subsection shall
3 be retained by the county in which such penalty is assessed.

4 (3) For any veteran claiming a homestead exemption under subdivision
5 (2)(a) of section 77-3506, the county assessor may revoke such exemption
6 back to the date on which the county assessor has reason to believe that
7 the exemption was improper upon notice to the veteran of the revocation.
8 The veteran may then provide evidence in favor of receiving the exemption
9 to the county assessor, and the county assessor may revise any revocation
10 based on such evidence. Any decision of the county assessor to revoke a
11 homestead exemption under this subsection may be appealed to the county
12 board of equalization within thirty days after the decision. The county
13 board of equalization may reverse or modify the revocation if there is
14 clear and convincing evidence that the veteran qualified for the
15 exemption for a particular period of time.

16 (4) Any additional taxes or penalties imposed pursuant to this
17 section may be appealed in the same manner as appeals are made under
18 section 77-3519.

19 Sec. 19. Section 77-3523, Revised Statutes Cumulative Supplement,
20 2022, is amended to read:

21 77-3523 The county treasurer and county assessor shall, on or before
22 November 30 of each year, certify to the Tax Commissioner the total tax
23 revenue that will be lost to all taxing agencies within the county from
24 taxes levied and assessed in that year because of exemptions allowed
25 under sections 77-3501 to 77-3529 and sections 4 and 7 of this act. The
26 county treasurer and county assessor may amend the certification to show
27 any change or correction in the total tax that will be lost until May 30
28 of the next succeeding year. If a homestead exemption is approved,
29 denied, or corrected by the Tax Commissioner under subsection (2) of
30 section 77-3517 after May 1 of the next year, the county treasurer and
31 county assessor shall prepare and submit amended reports to the Tax

1 Commissioner and the political subdivisions covering any affected year
2 and shall adjust the reimbursement to the county and the other political
3 subdivisions by adjusting the reimbursement due under this section in
4 later years. The Tax Commissioner shall, on or before January 1 next
5 following such certification or within thirty days of any amendment to
6 the certification, notify the Director of Administrative Services of the
7 amount so certified to be reimbursed by the state. Reimbursement of the
8 funds lost shall be made to each county according to the certification
9 and shall be distributed in six as nearly as possible equal monthly
10 payments on the last business day of each month beginning in January. The
11 Director of Administrative Services shall, on the last business day of
12 each month, issue payments by electronic funds transfer. Out of the
13 amount so received the county treasurer shall distribute to each of the
14 taxing agencies within his or her county the full amount so lost by such
15 agency, except that one percent of such amount shall be deposited in the
16 county general fund and that the amount due a Class V school district
17 shall be paid to the district and the county shall be compensated one
18 percent of such amount. Each taxing agency shall, in preparing its annual
19 or biennial budget, take into account the amount to be received under
20 this section.

21 Sec. 20. Section 77-3529, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 77-3529 If any application for exemption pursuant to sections
24 77-3501 to 77-3529 and sections 4 and 7 of this act is denied and the
25 applicant would be qualified for any other exemption under such sections,
26 then such denied application shall be treated as an application for the
27 highest exemption for which qualified. Any additional documentation
28 necessary for such other exemption shall be submitted to the county
29 assessor within a reasonable time after receipt of the notice of denial.

30 Sec. 21. Section 77-4212, Revised Statutes Supplement, 2023, is
31 amended to read:

1 77-4212 (1) For tax year 2007, the amount of relief granted under
2 the Property Tax Credit Act shall be one hundred five million dollars.
3 For tax year 2008, the amount of relief granted under the act shall be
4 one hundred fifteen million dollars. It is the intent of the Legislature
5 to fund the Property Tax Credit Act for tax years after tax year 2008
6 using available revenue. For tax year 2017, the amount of relief granted
7 under the act shall be two hundred twenty-four million dollars. For tax
8 year 2020 through tax year 2022, the minimum amount of relief granted
9 under the act shall be two hundred seventy-five million dollars. For tax
10 year 2023, the minimum amount of relief granted under the act shall be
11 three hundred sixty million dollars. For tax year 2024, the minimum
12 amount of relief granted under the act shall be three hundred ninety-five
13 million dollars. For tax year 2025, the minimum amount of relief granted
14 under the act shall be four hundred thirty million dollars. For tax year
15 2026, the minimum amount of relief granted under the act shall be four
16 hundred forty-five million dollars. For tax year 2027, the minimum amount
17 of relief granted under the act shall be four hundred sixty million
18 dollars. For tax year 2028, the minimum amount of relief granted under
19 the act shall be four hundred seventy-five million dollars. For tax year
20 2029, the minimum amount of relief granted under the act shall be the
21 minimum amount from the prior tax year plus a percentage increase equal
22 to the percentage increase, if any, in the total assessed value of all
23 real property in the state from the prior year to the current year, as
24 determined by the Department of Revenue, plus an additional seventy-five
25 million dollars. For tax year 2030 and each tax year thereafter, the
26 minimum amount of relief granted under the act shall be the minimum
27 amount from the prior tax year plus a percentage increase equal to the
28 percentage increase, if any, in the total assessed value of all real
29 property in the state from the prior year to the current year, as
30 determined by the Department of Revenue. If money is transferred or
31 credited to the Property Tax Credit Cash Fund pursuant to any other state

1 law, such amount shall be added to the minimum amount required under this
2 subsection when determining the total amount of relief granted under the
3 act. The relief shall be in the form of a property tax credit which
4 appears on the property tax statement.

5 (2)(a) For tax years prior to tax year 2017, to determine the amount
6 of the property tax credit, the county treasurer shall multiply the
7 amount disbursed to the county under subdivision (4)(a) of this section
8 by the ratio of the real property valuation of the parcel to the total
9 real property valuation in the county. The amount determined shall be the
10 property tax credit for the property.

11 (b) Beginning with tax year 2017, to determine the amount of the
12 property tax credit, the county treasurer shall multiply the amount
13 disbursed to the county under subdivision (4)(b) of this section by the
14 ratio of the credit allocation valuation of the parcel to the total
15 credit allocation valuation in the county. The amount determined shall be
16 the property tax credit for the property.

17 (3) If the real property owner qualifies for a homestead exemption
18 under sections 77-3501 to 77-3529 and sections 4 and 7 of this act, the
19 owner shall also be qualified for the relief provided in the act to the
20 extent of any remaining liability after calculation of the relief
21 provided by the homestead exemption. If the credit results in a property
22 tax liability on the homestead that is less than zero, the amount of the
23 credit which cannot be used by the taxpayer shall be returned to the
24 Property Tax Administrator by July 1 of the year the amount disbursed to
25 the county was disbursed. The Property Tax Administrator shall
26 immediately credit any funds returned under this subsection to the
27 Property Tax Credit Cash Fund. Upon the return of any funds under this
28 subsection, the county treasurer shall electronically file a report with
29 the Property Tax Administrator, on a form prescribed by the Tax
30 Commissioner, indicating the amount of funds distributed to each taxing
31 unit in the county in the year the funds were returned, any collection

1 fee retained by the county in such year, and the amount of unused credits
2 returned.

3 (4)(a) For tax years prior to tax year 2017, the amount disbursed to
4 each county shall be equal to the amount available for disbursement
5 determined under subsection (1) of this section multiplied by the ratio
6 of the real property valuation in the county to the real property
7 valuation in the state. By September 15, the Property Tax Administrator
8 shall determine the amount to be disbursed under this subdivision to each
9 county and certify such amounts to the State Treasurer and to each
10 county. The disbursements to the counties shall occur in two equal
11 payments, the first on or before January 31 and the second on or before
12 April 1. After retaining one percent of the receipts for costs, the
13 county treasurer shall allocate the remaining receipts to each taxing
14 unit levying taxes on taxable property in the tax district in which the
15 real property is located in the same proportion that the levy of such
16 taxing unit bears to the total levy on taxable property of all the taxing
17 units in the tax district in which the real property is located.

18 (b) Beginning with tax year 2017, the amount disbursed to each
19 county shall be equal to the amount available for disbursement determined
20 under subsection (1) of this section multiplied by the ratio of the
21 credit allocation valuation in the county to the credit allocation
22 valuation in the state. By September 15, the Property Tax Administrator
23 shall determine the amount to be disbursed under this subdivision to each
24 county and certify such amounts to the State Treasurer and to each
25 county. The disbursements to the counties shall occur in two equal
26 payments, the first on or before January 31 and the second on or before
27 April 1. After retaining one percent of the receipts for costs, the
28 county treasurer shall allocate the remaining receipts to each taxing
29 unit based on its share of the credits granted to all taxpayers in the
30 taxing unit.

31 (5) For purposes of this section, credit allocation valuation means

1 the taxable value for all real property except agricultural land and
2 horticultural land, one hundred twenty percent of taxable value for
3 agricultural land and horticultural land that is not subject to special
4 valuation, and one hundred twenty percent of taxable value for
5 agricultural land and horticultural land that is subject to special
6 valuation.

7 (6) The State Treasurer shall transfer from the General Fund to the
8 Property Tax Credit Cash Fund one hundred five million dollars by August
9 1, 2007, and one hundred fifteen million dollars by August 1, 2008.

10 (7) The Legislature shall have the power to transfer funds from the
11 Property Tax Credit Cash Fund to the General Fund.

12 Sec. 22. Original sections 77-3501, 77-3501.01, 77-3505.02,
13 77-3506.02, 77-3506.03, 77-3509.01, 77-3509.03, 77-3510, 77-3511,
14 77-3514, 77-3516, 77-3521, and 77-3529, Reissue Revised Statutes of
15 Nebraska, sections 77-3517 and 77-3523, Revised Statutes Cumulative
16 Supplement, 2022, and sections 77-3512, 77-3513, 77-3522, and 77-4212,
17 Revised Statutes Supplement, 2023, are repealed.

18 Sec. 23. Since an emergency exists, this act takes effect when
19 passed and approved according to law.