

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 345

Introduced by Kolowski, 31.

Read first time January 15, 2015

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 14-554, Reissue Revised Statutes of Nebraska; to adopt the Property
- 3 Tax Relief Act; to harmonize provisions; and to repeal the original
- 4 section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 5 of this act shall be known and may be
2 cited as the Property Tax Relief Act.

3 Sec. 2. The purpose of the Property Tax Relief Act is to provide
4 property tax relief for property taxes levied against homesteads.

5 Sec. 3. For purposes of the Property Tax Relief Act, homestead
6 means either (1) a residence or mobile home, and the land surrounding it,
7 not exceeding one acre, in this state actually occupied as such by a
8 natural person who is the owner of record thereof from January 1 through
9 August 15 in each year, (2) a residence or mobile home located on land
10 leased by the owner of the residence or mobile home, which is located
11 within this state, and is actually occupied by the person who is the
12 owner of record from January 1 through August 15 in each year, or so
13 occupied by the surviving spouse and minor children, if any, of such
14 owner of record during the year of the owner's death, or so much thereof
15 as shall be so occupied, or (3) a residential unit in a dwelling complex,
16 the record title owner of which is a not-for-profit corporation, when the
17 purchase for fair market value of a life tenancy in a taxable unit of the
18 dwelling complex entitles the purchaser to exclusive occupancy of that
19 unit for life, actually occupied by a natural person who has a life
20 tenancy therein from January 1 through August 15 in each year. For
21 purposes of this section, mobile home shall include every transportable
22 or relocatable device of any description without motive power and
23 designed for living quarters, whether or not permanently attached to real
24 estate, but shall not include a cabin trailer registered for operation
25 upon the highways of this state.

26 Sec. 4. The Property Tax Relief Fund is created. Any money in the
27 fund available for investment shall be invested by the state investment
28 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
29 State Funds Investment Act.

30 Sec. 5. (1) For tax year 2016 and each tax year thereafter, all
31 homesteads in this state shall be assessed for taxation the same as other

1 property, except that there shall be exempt from taxation of homesteads
2 an amount equal to eight thousand dollars.

3 (2) An owner shall file an application for the homestead exemption
4 with the county assessor of the county in which the homestead is located
5 after February 1 and on or before June 30. Failure to do so shall
6 constitute a waiver of the exemption for that year, except that:

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

11 (b) An owner may file a late application if he or she includes
12 documentation of a medical condition which impaired the owner's ability
13 to file the application in a timely manner; and

14 (c) For tax year 2017 and subsequent tax years, if an owner has been
15 granted the homestead exemption, no reapplication need be filed for
16 succeeding years, in which case the county assessor shall determine
17 whether the claimant qualifies for the homestead exemption in such
18 succeeding years as though a claim were made.

19 (3) Reimbursement to counties for the homestead exemption shall be
20 made from the Property Tax Relief Fund. The county treasurer shall, on or
21 before November 30 of each year, certify to the Tax Commissioner the
22 total tax revenue that will be lost to all taxing agencies within his or
23 her county from taxes levied and assessed in that year because of the
24 homestead exemption. The county treasurer may amend the certification to
25 show any change or correction in the total tax that will be lost until
26 May 30 of the next succeeding year. If a homestead exemption is approved,
27 denied, or corrected after May 1 of the next year, the county treasurer
28 shall prepare and submit amended reports to the Tax Commissioner and the
29 political subdivisions covering any affected year and shall adjust the
30 reimbursement to the county and the other political subdivisions by
31 adjusting the reimbursement due under this section in later years. The

1 Tax Commissioner shall, on or before January 1 next following such
2 certification or within thirty days of any amendment to the
3 certification, notify the Director of Administrative Services of the
4 amount so certified to be reimbursed by the state. Reimbursement of the
5 funds lost shall be made to each county according to the certification
6 and shall be distributed in six as nearly as possible equal monthly
7 payments on the last business day of each month beginning in January. The
8 State Treasurer shall, on the business day preceding the last business
9 day of each month, notify the Director of Administrative Services of the
10 amount of funds available in the Property Tax Relief Fund for payment
11 purposes. The Director of Administrative Services shall, on the last
12 business day of each month, draw warrants against funds appropriated. Out
13 of the amount so received the county treasurer shall distribute to each
14 of the taxing agencies within his or her county the full amount so lost
15 by such agency, except that one percent of such amount shall be deposited
16 in the county general fund and that the amount due a Class V school
17 district shall be paid to the district and the county shall be
18 compensated pursuant to section 14-554. Each taxing agency shall, in
19 preparing its annual or biennial budget, take into account the amount to
20 be received under this section.

21 (4) The homestead exemption provided in this section shall be in
22 addition to any homestead exemption granted by sections 77-3501 to
23 77-3529.

24 Sec. 6. Section 14-554, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 14-554 (1) The county in which any city of the metropolitan class is
27 located shall receive as full compensation an amount equal to one percent
28 of all money collected from taxation by the county for such city. Such
29 fee shall be paid monthly out of the general funds of the city.

30 (2) Such county shall receive as full compensation for the
31 collection and disbursement of all money from taxation and pursuant to

1 section 77-3523 and section 5 of this act coming to the board of
2 education an amount equal to one percent thereof, to be paid out of the
3 general fund.

4 (3) Such county shall receive as full compensation for the
5 collection and disbursement of the funds of the metropolitan utilities
6 district an amount equal to one percent of all money collected by the
7 county treasurer.

8 Sec. 7. Original section 14-554, Reissue Revised Statutes of
9 Nebraska, is repealed.