

AMENDMENTS TO LB 367

(Amendments to Standing Committee amendments, AM911)

Introduced by Revenue

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Sections 1 to 4 of this act shall be known and
4 may be cited as the Property Tax Credit Act.

5 Sec. 2. The purpose of the Property Tax Credit Act is to
6 provide property tax relief for property taxes levied against real
7 property. The property tax relief will be made to owners of real
8 property in the form of a property tax credit.

9 Sec. 3. The Property Tax Credit Cash Fund is created. The
10 fund shall only be used pursuant to the Property Tax Credit Act.
11 Any money in the fund available for investment shall be invested
12 by the state investment officer pursuant to the Nebraska Capital
13 Expansion Act and the Nebraska State Funds Investment Act.

14 Sec. 4. (1) For tax year 2007, the amount of relief
15 granted under the Property Tax Credit Act shall be one hundred
16 million dollars. For tax years after 2008, the amount of relief
17 granted under the act shall be fifty million dollars. It is the
18 intent of the Legislature to fund the Property Tax Credit Act for
19 tax years after tax year 2008 using available revenue. The relief
20 shall be in the form of a property tax credit which appears on the
21 property tax statement.

22 (2) To determine the amount of the property tax credit,

1 the county treasurer shall multiply the amount disbursed to the
2 county under subsection (4) of this section by the ratio of the
3 real property valuation of the parcel to the total real property
4 valuation in the county. The amount determined shall be the
5 property tax credit for the property.

6 (3) If the real property owner qualifies for a homestead
7 exemption under sections 77-3501 to 77-3529, the homestead owner
8 shall also be qualified for the relief provided in the act to the
9 extent of any remaining liability after calculation of the relief
10 provided by the homestead exemption. If the credit results in a
11 property tax liability on the homestead that is less than zero, the
12 amount of the credit which cannot be used by the taxpayer shall be
13 returned to the State Treasurer by July 1 of the year the amount
14 disbursed to the county was disbursed. The State Treasurer shall
15 immediately credit any funds returned under this section to the
16 Property Tax Credit Cash Fund.

17 (4) The amount disbursed to each county shall be equal to
18 the amount available for disbursement determined under subsection
19 (1) of this section multiplied by the ratio of the real property
20 valuation in the county to the real property valuation in the
21 state. By September 15, the Property Tax Administrator shall
22 determine the amount to be disbursed under this subsection to each
23 county and certify such amounts to the State Treasurer and to each
24 county. The disbursements to the counties shall occur in two equal
25 payments, the first on or before January 31 and the second on or
26 before April 1. After retaining one percent of the receipts for
27 costs, the county treasurer shall allocate the remaining receipts

1 to each taxing unit levying taxes on taxable property in the
2 tax district in which the real property is located in the same
3 proportion that the levy of such taxing unit bears to the total
4 levy on taxable property of all the taxing units in the tax
5 district in which the real property is located.

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

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

12 Sec. 23. Section 77-3442, Revised Statutes Cumulative
13 Supplement, 2006, is amended to read:

14 77-3442 (1) Property tax levies for the support of local
15 governments for fiscal years beginning on or after July 1, 1998,
16 shall be limited to the amounts set forth in this section except as
17 provided in section 77-3444.

18 (2) (a) Except as provided in subdivision (2) (d) of this
19 section, school districts and multiple-district school systems,
20 except learning communities and school districts that are members
21 of learning communities, may levy a maximum levy of one dollar and
22 five cents per one hundred dollars of taxable valuation of property
23 subject to the levy for fiscal year 2007-08 and one dollar for one
24 hundred dollars of taxable valuation of property subject to the
25 levy for fiscal year 2008-09 and all subsequent fiscal years.

26 (b) Except as provided in subdivision (2) (d) of this
27 section, for fiscal year 2008-09 and each fiscal year thereafter,

1 (i) learning communities may levy a maximum levy for the general
2 fund budgets of member school districts equal to the ratio of the
3 aggregate difference of one hundred ten percent of the formula
4 needs as calculated pursuant to section 79-1007.02 minus the amount
5 of state aid certified pursuant to section 79-1022 and minus the
6 other actual receipts included in local system formula resources
7 pursuant to section 79-1018.01 for each member school district
8 for such school fiscal year divided by each one hundred dollars
9 of taxable property subject to the levy, except that such levy
10 shall not exceed ~~one dollar and two~~ ninety-seven cents on each
11 one hundred dollars of taxable property subject to the levy, and
12 (ii) school districts that are members of learning communities
13 may levy a maximum levy of the difference of ~~one dollar and two~~
14 ninety-seven cents on each one hundred dollars of taxable property
15 subject to the levy minus the learning community levy pursuant to
16 this subdivision for purposes of such school district's general
17 fund budget and special building funds.

18 (c) Excluded from the limitations in subdivisions (a) and
19 (b) of this subsection are amounts levied to pay for sums agreed to
20 be paid by a school district to certificated employees in exchange
21 for a voluntary termination of employment and amounts levied
22 to pay for special building funds and sinking funds established
23 for projects commenced prior to April 1, 1996, for construction,
24 expansion, or alteration of school district buildings. For purposes
25 of this subsection, commenced means any action taken by the school
26 board on the record which commits the board to expend district
27 funds in planning, constructing, or carrying out the project.

1 (d) Federal aid school districts may exceed the maximum
2 levy prescribed by subdivision (2)(a) or (b) of this section
3 only to the extent necessary to qualify to receive federal aid
4 pursuant to Title VIII of Public Law 103-382, as such title existed
5 on September 1, 2001. For purposes of this subdivision, federal
6 aid school district means any school district which receives ten
7 percent or more of the revenue for its general fund budget from
8 federal government sources pursuant to Title VIII of Public Law
9 103-382, as such title existed on September 1, 2001.

10 (e) For school fiscal year 2002-03 through school fiscal
11 year 2007-08, school districts and multiple-district school systems
12 may, upon a three-fourths majority vote of the school board of
13 the school district, the board of the unified system, or the
14 school board of the high school district of the multiple-district
15 school system that is not a unified system, exceed the maximum
16 levy prescribed by subdivision (2)(a) of this section in an amount
17 equal to the net difference between the amount of state aid that
18 would have been provided under the Tax Equity and Educational
19 Opportunities Support Act without the temporary aid adjustment
20 factor as defined in section 79-1003 for the ensuing school fiscal
21 year for the school district or multiple-district school system
22 and the amount provided with the temporary aid adjustment factor.
23 The State Department of Education shall certify to the school
24 districts and multiple-district school systems the amount by which
25 the maximum levy may be exceeded for the next school fiscal year
26 pursuant to this subdivision (e) of this subsection on or before
27 February 15 for school fiscal years 2004-05 through 2007-08.

1 (f) For fiscal year 2008-09 and each fiscal year
2 thereafter, learning communities may levy a maximum levy of two
3 cents on each one hundred dollars of taxable property subject to
4 the levy for special building funds for member school districts.

5 (g) For fiscal year 2008-09 and each fiscal year
6 thereafter, learning communities may levy a maximum levy of one
7 cent on each one hundred dollars of taxable property subject to the
8 levy for the learning community budget and for projects approved by
9 the learning community coordinating council.

10 (3) Community colleges may levy a maximum levy on each
11 one hundred dollars of taxable property subject to the levy of
12 seven cents, plus amounts allowed under subsection (7) of section
13 85-1536.01, except that any community college whose valuation per
14 reported aid equivalent student as defined in section 85-1503 was
15 less than eighty-two percent of the average valuation per statewide
16 reimbursable reported aid equivalent total as defined in section
17 85-1503 for all community colleges for fiscal year 1997-98 may levy
18 up to an additional one-half cent for each of fiscal years 2005-06
19 and 2006-07 upon a three-fourths majority vote of the board.

20 (4) Natural resources districts may levy a maximum levy
21 of four and one-half cents per one hundred dollars of taxable
22 valuation of property subject to the levy. Natural resources
23 districts shall also have the power and authority to levy a
24 tax equal to the dollar amount by which their restricted funds
25 budgeted to administer and implement ground water management
26 activities and integrated management activities under the Nebraska
27 Ground Water Management and Protection Act exceed their restricted

1 funds budgeted to administer and implement ground water management
2 activities and integrated management activities for FY2003-04,
3 not to exceed one cent on each one hundred dollars of taxable
4 valuation annually on all of the taxable property within the
5 district. In addition, natural resources districts located in a
6 river basin, subbasin, or reach that has been determined to be
7 fully appropriated pursuant to section 46-714 or designated as
8 overappropriated pursuant to section 46-713 by the Department of
9 Natural Resources shall also have the power and authority to
10 levy a tax equal to the dollar amount by which their restricted
11 funds budgeted to administer and implement ground water management
12 activities and integrated management activities under the Nebraska
13 Ground Water Management and Protection Act exceed their restricted
14 funds budgeted to administer and implement ground water management
15 activities and integrated management activities for FY2005-06, not
16 to exceed three cents on each one hundred dollars of taxable
17 valuation on all of the taxable property within the district for
18 fiscal year 2006-07 and not to exceed two cents on each one
19 hundred dollars of taxable valuation annually on all of the taxable
20 property within the district for fiscal years 2007-08 and 2008-09.

21 (5) Educational service units may levy a maximum levy of
22 one and one-half cents per one hundred dollars of taxable valuation
23 of property subject to the levy.

24 (6) (a) Incorporated cities and villages which are not
25 within the boundaries of a municipal county may levy a maximum levy
26 of forty-five cents per one hundred dollars of taxable valuation
27 of property subject to the levy plus an additional five cents per

1 one hundred dollars of taxable valuation to provide financing for
2 the municipality's share of revenue required under an agreement
3 or agreements executed pursuant to the Interlocal Cooperation Act
4 or the Joint Public Agency Act. The maximum levy shall include
5 amounts levied to pay for sums to support a library pursuant
6 to section 51-201, museum pursuant to section 51-501, visiting
7 community nurse, home health nurse, or home health agency pursuant
8 to section 71-1637, or statue, memorial, or monument pursuant to
9 section 80-202.

10 (b) Incorporated cities and villages which are within the
11 boundaries of a municipal county may levy a maximum levy of ninety
12 cents per one hundred dollars of taxable valuation of property
13 subject to the levy. The maximum levy shall include amounts paid
14 to a municipal county for county services, amounts levied to pay
15 for sums to support a library pursuant to section 51-201, a museum
16 pursuant to section 51-501, a visiting community nurse, home health
17 nurse, or home health agency pursuant to section 71-1637, or a
18 statue, memorial, or monument pursuant to section 80-202.

19 (7) Sanitary and improvement districts which have been in
20 existence for more than five years may levy a maximum levy of forty
21 cents per one hundred dollars of taxable valuation of property
22 subject to the levy, and sanitary and improvement districts which
23 have been in existence for five years or less shall not have
24 a maximum levy. Unconsolidated sanitary and improvement districts
25 which have been in existence for more than five years and are
26 located in a municipal county may levy a maximum of eighty-five
27 cents per hundred dollars of taxable valuation of property subject

1 to the levy.

2 (8) Counties may levy or authorize a maximum levy of
3 fifty cents per one hundred dollars of taxable valuation of
4 property subject to the levy, except that five cents per one
5 hundred dollars of taxable valuation of property subject to the
6 levy may only be levied to provide financing for the county's
7 share of revenue required under an agreement or agreements executed
8 pursuant to the Interlocal Cooperation Act or the Joint Public
9 Agency Act. The maximum levy shall include amounts levied to pay
10 for sums to support a library pursuant to section 51-201 or museum
11 pursuant to section 51-501. The county may allocate up to fifteen
12 cents of its authority to other political subdivisions subject
13 to allocation of property tax authority under subsection (1) of
14 section 77-3443 and not specifically covered in this section to
15 levy taxes as authorized by law which do not collectively exceed
16 fifteen cents per one hundred dollars of taxable valuation on any
17 parcel or item of taxable property. The county may allocate to
18 one or more other political subdivisions subject to allocation
19 of property tax authority by the county under subsection (1) of
20 section 77-3443 some or all of the county's five cents per one
21 hundred dollars of valuation authorized for support of an agreement
22 or agreements to be levied by the political subdivision for the
23 purpose of supporting that political subdivision's share of revenue
24 required under an agreement or agreements executed pursuant to the
25 Interlocal Cooperation Act or the Joint Public Agency Act. If an
26 allocation by a county would cause another county to exceed its
27 levy authority under this section, the second county may exceed the

1 levy authority in order to levy the amount allocated.

2 (9) Municipal counties may levy or authorize a maximum
3 levy of one dollar per one hundred dollars of taxable valuation
4 of property subject to the levy. The municipal county may allocate
5 levy authority to any political subdivision or entity subject to
6 allocation under section 77-3443.

7 (10) Property tax levies for judgments, except judgments
8 or orders from the Commission of Industrial Relations, obtained
9 against a political subdivision which require or obligate a
10 political subdivision to pay such judgment, to the extent such
11 judgment is not paid by liability insurance coverage of a
12 political subdivision, for preexisting lease-purchase contracts
13 approved prior to July 1, 1998, for bonded indebtedness approved
14 according to law and secured by a levy on property, and for
15 payments by a public airport to retire interest-free loans from the
16 Department of Aeronautics in lieu of bonded indebtedness at a lower
17 cost to the public airport are not included in the levy limits
18 established by this section.

19 (11) The limitations on tax levies provided in this
20 section are to include all other general or special levies
21 provided by law. Notwithstanding other provisions of law, the
22 only exceptions to the limits in this section are those provided by
23 or authorized by sections 77-3442 to 77-3444.

24 (12) Tax levies in excess of the limitations in this
25 section shall be considered unauthorized levies under section
26 77-1606 unless approved under section 77-3444.

27 (13) For purposes of sections 77-3442 to 77-3444,

1 political subdivision means a political subdivision of this state
2 and a county agricultural society.

3 Sec. 25. Sections 1, 2, 3, 4, 23, 25, 27, and 31 of this
4 act become operative on their effective date.

5 Sec. 27. Original section 77-3442, Revised Statutes
6 Cumulative Supplement, 2006, is repealed.

7 Sec. 31. Since an emergency exists, this act takes effect
8 when passed and approved according to law.