



**Hundredth Legislature - First Session - 2007
Committee Statement
LB 173**

Hearing Date: February 2, 2007
Committee On: Revenue

Introducer(s): (Engel)
Title: Change provisions relating to homestead exemptions

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - Advanced to General File with Amendments
 - X Indefinitely Postponed
-

Vote Results:

- | | | |
|---|---------------------|--|
| 5 | Yes | Senators Cornett, Dierks, Janssen, Langemeier and Preister |
| 2 | No | Senator Raikes and White |
| 1 | Present, not voting | Senator Burling |
| 0 | Absent | |
-

Proponents:
Senator Pat Engel

Representing:
Introducer

Opponents:
Patrick J. Henry
Mark Intermill

Representing:
Nebraska Aging Legislative Coalition
AARP Nebraska

Neutral:
Larry Dix

Representing:
Nebraska Association of County Officials

Summary of purpose and/or changes:

LB 173 would have changed the homestead exemption program offered to elderly and certain qualified veterans. Under the bill’s provisions, a homestead exemption granted an owner and paid by the state would become a debt to be repaid by the beneficiary of the homestead exemption. The debt was to be repaid upon sale of the property. Provisions of the bill require notifying the homeowner that they are under an obligation to repay the debt created by granting the state funded homestead exemption.

Language on page 5 of the bill described the status of the lien upon the homestead property. The lien would not have first priority, but would be effective at the time filed. A duty was provided for the county treasurer to compile a total of taxes paid by the state program after 2007, along with a list of parcels and owners and the obligation of each. This list was to be provided to the

Nebraska Department of Revenue on an annual basis. Provisions for amending this list and the tax recovery obligation are created.

Section 7 of the bill would have provided that the recovery of past homestead taxes due since 2007 could not exceed the assessed value of the property in the year in which the property becomes disqualified. (Due to death of owner or transfer to another party not eligible for homestead.) Interest on the amount due and unpaid was to accrue at the interest rate provided in Section 45-104.02.

Explanation of amendments, if any:

Senator Ray Janssen, Chairperson