

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 137

Introduced By: Flood, 19;
Read first time: January 8, 2007
Committee: Judiciary

A BILL

1 FOR AN ACT relating to inheritance tax; to amend sections 77-2003
2 and 77-2037, Reissue Revised Statutes of Nebraska; to change
3 and provide provisions relating to a lien and liability for
4 payment of the tax; to harmonize provisions; and to repeal
5 the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2003, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 77-2003. The tax imposed upon transfers under sections
4 77-2001 and 77-2002 shall be paid to the county treasurer of the
5 proper county and all heirs, legatees, ~~and~~ devisees, personal
6 representatives, other recipients of property subject to tax, and
7 trustees shall be liable for any and all such taxes until the same
8 shall have been paid ~~as hereinafter directed.~~ or otherwise
9 terminated pursuant to section 77-2037. This tax shall be a lien on
10 the real property subject thereto until paid or otherwise terminated
11 pursuant to section 77-2037, except that no interest in any property
12 passing from the decedent to the decedent's surviving spouse shall be
13 subject to the lien.

14 Sec. 2. Section 77-2037, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 77-2037. (1) Regardless of any defect in the proceedings
17 in which ~~such~~ the inheritance tax was determined, or in the
18 jurisdiction of the court to make such determination, the lien of the
19 inheritance tax shall cease upon the first of the following to
20 occur: (a) of: (1) Ten years from after the date of death of
21 a the decedent; (b) five years after the determination and
22 assessment of the inheritance tax arising as a result of the death of
23 the decedent; (c) and no action shall be maintained for the
24 determination, assessment or collection of such tax, unless a
25 determination of the amount of such tax by the court having
26 jurisdiction thereof shall have been made within such ten year
27 period, in which case such lien and the right to maintain any action

1 ~~for the assessment or collection of any tax shall cease five years~~
2 ~~after such determination or upon payment of such tax, whichever first~~
3 ~~occurs;~~ (2) the payment of the amount of inheritance tax finally
4 determined by the county court to be due with respect to property
5 described in ~~such~~ the proceedings for the determination and
6 assessment of the inheritance tax as a result of the death of the
7 decedent; or (3) (d) the release or discharge of any lien
8 pursuant to section 77-2039.

9 (2) For deaths occurring on or after the effective date of
10 this act, the liability of any heir, legatee, devisee, personal
11 representative, other recipient of property subject to tax, or
12 trustee for payment of the inheritance tax shall terminate upon the
13 first of the following to occur: (a) Ten years after the date of
14 death of the decedent; (b) five years after the determination and
15 assessment of the inheritance tax arising as a result of the death of
16 the decedent; or (c) the payment of the amount of inheritance tax
17 finally determined by the county court to be due with respect to
18 property described in the proceedings for the determination and
19 assessment of the inheritance tax as a result of the death of the
20 decedent.

21 (3) For deaths occurring prior to the effective date of
22 this act, the liability of any heir, legatee, devisee, personal
23 representative, other recipient of property subject to tax, or
24 trustee for payment of the inheritance tax shall terminate upon the
25 first of the following to occur: (a) The later of one year after the
26 effective date of this act or ten years after the date of death of
27 the decedent; (b) five years after the determination and assessment

1 of the inheritance tax arising as a result of the death of the
2 decedent; or (c) the payment of the amount of inheritance tax finally
3 determined by the county court to be due with respect to property
4 described in the proceedings for the determination and assessment of
5 the inheritance tax as a result of the death of the decedent.

6 Sec. 3. Original sections 77-2003 and 77-2037, Reissue
7 Revised Statutes of Nebraska, are repealed.