

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 355

Introduced by Cornett, 45; Gay, 14; Wallman, 30;

Read first time January 12, 2007

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-1248, Reissue Revised Statutes of Nebraska; to change
3 provisions relating to taxation of air carriers; and to
4 repeal the original section.

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

1 Section 1. Section 77-1248, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 77-1248 (1) The Property Tax Administrator shall
4 ascertain from the reports made and from any other information
5 obtained by him or her the taxable value of the flight equipment of
6 air carriers and the proportion allocated to this state for the
7 purposes of taxation as provided in section 77-1245.

8 (2) The Property Tax Administrator, in determining the
9 taxable value of air carriers, shall determine the following
10 ratios involving air carrier flight equipment and commercial and
11 industrial property:

12 (a) The ratio of the taxable value of all commercial
13 and industrial personal property in the state actually subjected
14 to property tax divided by the market value of all commercial and
15 industrial personal property in the state; and

16 (b) The ratio of the taxable value of flight equipment
17 to the market value of flight equipment. The numerator of the
18 ratio shall be the taxable value of air carrier flight equipment.
19 The denominator of the ratio shall be the flight equipment value
20 allocated to Nebraska and multiplied by a factor representing the
21 net book value of air carrier flight equipment divided by the net
22 book value of total air carrier transportation property.

23 (3) If the ratio of the taxable value of air carrier
24 flight equipment exceeds the ratio of the comparable taxable
25 commercial and industrial property by more than five percent, the

1 Property Tax Administrator may adjust the value of such air carrier
2 flight equipment to the percentage of the comparable taxable
3 commercial and industrial property pursuant to federal law or any
4 applicable federal court decisions.

5 (4) For purposes of this section, commercial and
6 industrial property means all real and personal property which is
7 devoted to commercial or industrial use other than air carrier
8 transportation property and land used primarily for agricultural
9 or horticultural purposes.

10 Sec. 2. Original section 77-1248, Reissue Revised
11 Statutes of Nebraska, is repealed.