



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 173

Chairperson: Ray Janssen
Committee: Revenue
Date of Hearing: February 2, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The homestead exemption is currently available to three groups of persons: persons over age 65; certain disabled individuals; or certain disabled veterans and their widow(er)s. The homestead exemption provides relief from property taxes by exempting all or a portion of the valuation of the homestead from taxation. The State of Nebraska reimburses the counties and other governmental subdivisions for the taxes lost due to homestead exemptions.

LB 173 would provide a means for the state to recover the funds used to implement this program. Under LB 173, a homestead exemption would terminate on the death of the owner or the sale of the homestead. Transfers to a surviving spouse or transfers to another homestead (if still eligible for the homestead exemption program) are exempted. Upon termination, the total amount of taxes reimbursed by the state for which the owner received a homestead exemption after 2007, shall become due and payable to the Nebraska Department of Revenue. However, the amount to be repaid shall not exceed the total assessed value of the homestead. The Tax Commissioner shall file a notice of the lien for lost taxes with the county in which the homestead is located.

Principal Introducer: _____
Senator L. Patrick Engel