

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1075

Introduced by Cornett, 45; Dubas, 34.

Read first time January 18, 2012

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-1333, Reissue Revised Statutes of Nebraska; to provide
3 for assessment of rent-restricted housing projects by the
4 Property Tax Administrator; and to repeal the original
5 section.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. The Property Tax Administrator shall assess
2 all rent-restricted housing projects. For purposes of sections 1 to 6
3 of this act, rent-restricted housing project means a housing project
4 financed, at least in part, with an allocation of low-income housing
5 tax credits allocated under section 42 or 142 of the Internal Revenue
6 Code and approved or allocated by the Nebraska Investment Finance
7 Authority.

8 Sec. 2. Section 77-1333, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 ~~77-1333 (1) The county assessor~~ The Property Tax
11 Administrator shall perform an income-approach calculation for all
12 rent restricted housing projects constructed to allow an allocation
13 of low income housing tax credits under section 42 of the Internal
14 Revenue Code and approved by the Nebraska Investment Finance
15 Authority when considering the assessed valuation to place on the
16 property rent-restricted housing project for each assessment year.
17 The income-approach calculation shall be consistent with any rules
18 and regulations adopted and promulgated by the Tax Commissioner and
19 shall comply with professionally accepted mass appraisal techniques.
20 ~~Any~~ The low-income housing tax credits authorized under section 42 of
21 the Internal Revenue Code that were ~~granted~~ allocated to owners of
22 the rent-restricted housing project shall not be considered income
23 for purposes of ~~the calculation but may be considered in determining~~
24 ~~the capitalization rate to be used when capitalizing the income~~
25 ~~stream. The county assessor, determining the assessed value. The~~

1 Property Tax Administrator, in determining the actual value of any
2 specific property, may consider other methods of determining value
3 that are consistent with professionally accepted mass appraisal
4 methods described in section 77-112 and the standards of the rules
5 and regulations adopted and promulgated by the Tax Commissioner.

6 ~~(2) The owner of a rent restricted housing project shall~~
7 ~~file a statement with the county assessor on or before October 1 of~~
8 ~~each year that details income and expense data for the prior year, a~~
9 ~~description of any land use restrictions, and such other information~~
10 ~~as the county assessor may require.~~

11 Sec. 3. (1) The owner of a rent-restricted housing
12 project shall file a statement with the Property Tax Administrator on
13 or before April 15 of each year that details income and expense data
14 for the prior year, a copy of and a summary description of any land-
15 use restrictions, and such other information as the Property Tax
16 Administrator may require. The statement shall be made on forms
17 prescribed by the Tax Commissioner.

18 (2) For each day's failure to furnish the statement
19 required by this section or for each day's failure to furnish the
20 information as required on those statements, the Tax Commissioner
21 shall assess a penalty in the amount of one hundred dollars, except
22 that the penalty shall not exceed one thousand dollars. Such penalty
23 shall be collected by the Tax Commissioner and credited to the
24 Department of Revenue Property Assessment Division Cash Fund. The Tax
25 Commissioner, in his or her discretion, may waive all or part of the

1 penalty provided in this section.

2 Sec. 4. The Tax Commissioner shall have the power to
3 require any officer or agent of the rent-restricted housing project
4 being assessed under section 2 of this act to attend a hearing and to
5 answer under oath questions regarding the rent-restricted housing
6 project. The Tax Commissioner shall have the power to issue whatever
7 notice or process may be necessary to compel the attendance of any
8 such person as witness.

9 Sec. 5. (1) On or before July 1, the Property Tax
10 Administrator shall mail a proposed assessed valuation to each rent-
11 restricted housing project owner required to file pursuant to section
12 3 of this act. The Property Tax Administrator shall, on or before
13 July 15 of each year, notify by certified mail each rent-restricted
14 housing project owner of the final assessed valuation for the rent-
15 restricted housing project.

16 (2) If a rent-restricted housing project owner feels
17 aggrieved, such owner may, on or before August 1, file with the Tax
18 Commissioner an administrative appeal in writing stating that it
19 claims the valuation is unjust or inequitable, the amount which it is
20 claimed the valuation should be, and the excess therein and asking
21 for an adjustment of the valuation by the Tax Commissioner. The Tax
22 Commissioner shall act upon the appeal and shall issue a written
23 order mailed to the owner within seven days after the date of the
24 order. The order may be appealed within thirty days after the date of
25 the order to the Tax Equalization and Review Commission in accordance

1 with section 77-5013.

2 Sec. 6. For purposes of certifying values pursuant to
3 section 13-509, the county assessor shall include the rent-restricted
4 housing project value as certified by the Property Tax Administrator
5 pursuant to section 2 of this act. The taxes so levied shall be
6 included upon the property tax roll and be due and payable in the
7 same manner as property taxes pursuant to sections 77-203 and 77-204.
8 From the date that taxes are due and payable, the taxes shall be a
9 first lien upon the rent-restricted housing project until paid. The
10 procedure for the collection of any delinquent tax pursuant to this
11 section shall be that used for the collection of property tax.

12 Sec. 7. Original section 77-1333, Reissue Revised
13 Statutes of Nebraska, is repealed.