

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 54

Introduced by Mello, 5.

Read first time January 06, 2011

Committee: Urban Affairs

A BILL

1 FOR AN ACT relating to the Community Development Law; to amend
2 section 18-2147, Reissue Revised Statutes of Nebraska; to
3 change provisions relating to tax-increment financing;
4 and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2147, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 18-2147 (1) Any redevelopment plan as originally approved
4 or as later modified pursuant to section 18-2117, may contain a
5 provision that any ad valorem tax levied upon real property in a
6 redevelopment project for the benefit of any public body shall be
7 divided, for a period not to exceed fifteen years after ~~the effective~~
8 ~~date of such a provision by the governing body~~ enters into a
9 redevelopment contract, as follows:

10 (a) That portion of the ad valorem tax which is produced
11 by the levy at the rate fixed each year by or for each such public
12 body upon the redevelopment project valuation shall be paid into the
13 funds of each such public body in the same proportion as are all
14 other taxes collected by or for the body. When there is not a
15 redevelopment project valuation on a parcel or parcels, the county
16 assessor shall determine the redevelopment project valuation based
17 upon the fair market valuation of the parcel or parcels as of January
18 1 of the year prior to the year that the ad valorem taxes are to be
19 divided. The county assessor shall provide written notice of the
20 redevelopment project valuation to the authority as defined in
21 section 18-2103 and the owner. The authority or owner may protest the
22 valuation to the county board of equalization within thirty days
23 after the date of the valuation notice. All provisions of section
24 77-1502 except dates for filing of a protest, the period for hearing
25 protests, and the date for mailing notice of the county board of

1 equalization's decision are applicable to any protest filed pursuant
2 to this section. The county board of equalization shall decide any
3 protest filed pursuant to this section within thirty days after the
4 filing of the protest. The county clerk shall mail a copy of the
5 decision made by the county board of equalization on protests
6 pursuant to this section to the authority or owner within seven days
7 after the board's decision. Any decision of the county board of
8 equalization may be appealed to the Tax Equalization and Review
9 Commission, in accordance with section 77-5013, within thirty days
10 after the date of the decision;

11 (b) That portion of the ad valorem tax on real property
12 in the redevelopment project in excess of such amount, if any, shall
13 be allocated to and, when collected, paid into a special fund of the
14 authority to be used solely to pay the principal of, the interest on,
15 and any premiums due in connection with the bonds of, loans, notes,
16 or advances of money to, or indebtedness incurred by, whether funded,
17 refunded, assumed, or otherwise, such authority for financing or
18 refinancing, in whole or in part, the redevelopment project. When
19 such bonds, loans, notes, advances of money, or indebtedness,
20 including interest and premiums due, have been paid, the authority
21 shall so notify the county assessor and county treasurer and all ad
22 valorem taxes upon taxable real property in such a redevelopment
23 project shall be paid into the funds of the respective public bodies;
24 and

25 (c) Any interest and penalties due for delinquent taxes

1 shall be paid into the funds of each public body in the same
2 proportion as are all other taxes collected by or for the public
3 body.

4 (2) The governing body shall not implement any plan
5 containing a provision dividing ad valorem taxes as provided in
6 subsection (1) of this section until such time as the real property
7 in the redevelopment project is within the corporate boundaries of
8 the city.

9 (3) Beginning August 1, 2006, all notices of the
10 provision for dividing ad valorem taxes shall be sent by the
11 authority to the county assessor on forms prescribed by the Property
12 Tax Administrator. The notice shall be sent to the county assessor on
13 or before August 1 of the year of the effective date of the
14 provision. Failure to satisfy the notice requirement of this section
15 shall result in the taxes, for all taxable years affected by the
16 failure to give notice of the effective date of the provision,
17 remaining undivided and being paid into the funds for each public
18 body receiving property taxes generated by the property in the
19 redevelopment project. However, the redevelopment project valuation
20 for the remaining division of ad valorem taxes in accordance with
21 subdivisions (1)(a) and (b) of this section shall be the last
22 certified valuation for the taxable year prior to the effective date
23 of the provision to divide the taxes for the remaining portion of the
24 fifteen-year period pursuant to subsection (1) of this section.

25 Sec. 2. Original section 18-2147, Reissue Revised

1 Statutes of Nebraska, is repealed.