

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB341

Hearing Date: Wednesday February 13, 2013
Committee On: Revenue
Introducer: Wightman
One Liner: Change tax sale procedures

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 7 Senators Hadley, Hansen, Harr, Janssen, McCoy, Schumacher, Sullivan
Nay:
Absent:
Present Not Voting: 1 Senator Pirsch

Proponents:

Sen. John Wightman
Rich James
Beth Bazyn Ferrell
Randy James

Representing:

Introducer
Sarpy Co.
NACO
Self

Opponents:

Representing:

Neutral:

Mark Laughlin
Peter Katt
Deanna Walocha

Representing:

Self
Self
US Assets, LLC

Summary of purpose and/or changes:

The bill would alter delinquent tax sale procedures on properties. Under current Nebraska law property owners who are delinquent on payment of property taxes are subject to a process where the delinquent taxes are sold to other persons by the county treasurer. In this process, the purchaser of the tax sale certificate pays the delinquent local property taxes to the county treasurer, and is issued a certificate of a lien on the property for taxes paid. These tax sale certificates are sold to investors in an annual event at which people can "buy the taxes". The property itself remains in the hands of the property owner, who may redeem the tax sale certificate by buying it from the investor in the tax sale certificate.

The modifies the language setting out the process for selling tax sale certificates by proscribing a bidding procedure. These procedures may include bidding in a %u201Cround robin%u201D format. Bidders would be required to register. A 25 dollar fee is required by each registered bidder.

The bill raises a current tax certificate issuance fee from ten dollars per deed or certificate to twenty dollars.

The bill also changes current law to require a certificate for property deed for each property. (Under current law several deeds may be combined into one. (See page 6, line 25.)

The following section of law is outright repealed by the bill.

77-1820. Real property taxes; certificate of purchase; separate description.

If any person becomes the purchaser of more than one item of real property, he or she may have the whole included in one certificate, but each item shall be separately described, and the amount paid may be entered in gross in the certificate.

Explanation of amendments:

The Committee amendments clarified that each tax lien shall be shown on a single certificate. Redemption of the certificate will require payment of fees. Timelines for tax deeds for owner occupied properties are prescribed by new language.

Galen Hadley, Chairperson