

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 986**

Final Reading

Introduced by Revenue Committee: Hadley, 37, Chairperson; Hansen,  
42; Harr, 8; Schumacher, 22; Sullivan, 41.

Read first time January 21, 2014

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend sections  
2 77-3507, 77-3508, 77-3509, and 77-3513, Reissue Revised  
3 Statutes of Nebraska; to change homestead exemption  
4 income limitations; to provide a homestead exemption for  
5 individuals with a developmental disability; to harmonize  
6 provisions; to repeal the original sections; and to  
7 declare an emergency.  
8 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-3507, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           77-3507 (1) All homesteads in this state shall be  
4 assessed for taxation the same as other property, except that there  
5 shall be exempt from taxation on homesteads of qualified claimants a  
6 percentage of the exempt amount as limited by section 77-3506.03. The  
7 percentage of the exempt amount shall be determined based on the  
8 household income of a claimant pursuant to subsections (2) through  
9 (4) of this section.

10           (2) For ~~2000, 2014,~~ for a qualified married or closely  
11 related claimant, the percentage of the exempt amount for which the  
12 claimant shall be eligible shall be the percentage in Column B which  
13 corresponds with the claimant's household income in Column A in the  
14 table found in this subsection.

15	<del>Column A</del>	<del>Column B</del>
16	<del>Household Income</del>	<del>Percentage</del>
17	<del>In Dollars</del>	<del>Of Relief</del>
18	<del>0 through 22,500</del>	<del>100</del>
19	<del>22,501 through 23,700</del>	<del>85</del>
20	<del>23,701 through 24,900</del>	<del>70</del>
21	<del>24,901 through 26,100</del>	<del>55</del>
22	<del>26,101 through 27,300</del>	<del>40</del>
23	<del>27,301 through 28,500</del>	<del>25</del>
24	<del>28,501 and over</del>	<del>0</del>

1	<u>Column A</u>	<u>Column B</u>
2	<u>Household Income</u>	<u>Percentage</u>
3	<u>In Dollars</u>	<u>Of Relief</u>
4	<u>0 through 31,600</u>	<u>100</u>
5	<u>31,601 through 33,300</u>	<u>90</u>
6	<u>33,301 through 35,000</u>	<u>80</u>
7	<u>35,001 through 36,700</u>	<u>70</u>
8	<u>36,701 through 38,400</u>	<u>60</u>
9	<u>38,401 through 40,100</u>	<u>50</u>
10	<u>40,101 through 41,800</u>	<u>40</u>
11	<u>41,801 through 43,500</u>	<u>30</u>
12	<u>43,501 through 45,200</u>	<u>20</u>
13	<u>45,201 through 46,900</u>	<u>10</u>
14	<u>46,901 and over</u>	<u>0</u>

15           (3) For ~~2000~~, 2014, for a qualified single claimant, the  
 16 percentage of the exempt amount for which the claimant shall be  
 17 eligible shall be the percentage in Column B which corresponds with  
 18 the claimant's household income in Column A in the table found in  
 19 this subsection.

20	<del>Column A</del>	<del>Column B</del>
21	<del>Household Income</del>	<del>Percentage</del>
22	<del>In Dollars</del>	<del>Of Relief</del>

1	<del>0 through 19,200</del>	<del>100</del>
2	<del>19,201 through 20,200</del>	<del>85</del>
3	<del>20,201 through 21,200</del>	<del>70</del>
4	<del>21,201 through 22,200</del>	<del>55</del>
5	<del>22,201 through 23,200</del>	<del>40</del>
6	<del>23,201 through 24,200</del>	<del>25</del>
7	<del>24,201 and over</del>	<del>0</del>
8	<u>Column A</u>	<u>Column B</u>
9	<u>Household Income</u>	<u>Percentage</u>
10	<u>In Dollars</u>	<u>Of Relief</u>
11	<u>0 through 26,900</u>	<u>100</u>
12	<u>26,901 through 28,300</u>	<u>90</u>
13	<u>28,301 through 29,700</u>	<u>80</u>
14	<u>29,701 through 31,100</u>	<u>70</u>
15	<u>31,101 through 32,500</u>	<u>60</u>
16	<u>32,501 through 33,900</u>	<u>50</u>
17	<u>33,901 through 35,300</u>	<u>40</u>
18	<u>35,301 through 36,700</u>	<u>30</u>
19	<u>36,701 through 38,100</u>	<u>20</u>
20	<u>38,101 through 39,500</u>	<u>10</u>
21	<u>39,501 and over</u>	<u>0</u>
22	(4) For exemption applications filed in calendar year	

1 ~~2001-2015~~ and each year thereafter, the income eligibility amounts in  
2 subsections (2) and (3) of this section shall be adjusted for  
3 inflation by the method provided in section 151 of the Internal  
4 Revenue Code. The income eligibility amounts shall be adjusted for  
5 cumulative inflation since ~~2000.~~2014. If any amount is not a  
6 multiple of one hundred dollars, the amount shall be rounded to the  
7 next lower multiple of one hundred dollars.

8           Sec. 2. Section 77-3508, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10           77-3508 (1)(a) All homesteads in this state shall be  
11 assessed for taxation the same as other property, except that there  
12 shall be exempt from taxation, on any homestead described in  
13 subdivision (b) of this subsection, a percentage of the exempt amount  
14 as limited by section 77-3506.03. The exemption shall be based on the  
15 household income of a claimant pursuant to subsections (2) through  
16 (4) of this section.

17           (b) The exemption described in subdivision (a) of this  
18 subsection shall apply to homesteads of:

19           (i) Veterans as defined in section 80-401.01 who were  
20 discharged or otherwise separated with a characterization of  
21 honorable or general (under honorable conditions) and who are totally  
22 disabled by a non-service-connected accident or illness;

23           (ii) Individuals who have a permanent physical disability  
24 and have lost all mobility so as to preclude locomotion without the  
25 regular use of a mechanical aid or prostheses; ~~and~~

1 (iii) Individuals who have undergone amputation of both  
 2 arms above the elbow or who have a permanent partial disability of  
 3 both arms in excess of seventy-five percent; and -

4 (iv) Beginning January 1, 2015, individuals who have a  
 5 developmental disability as defined in section 83-1205.

6 (c) Application for the exemption described in  
 7 subdivision (a) of this subsection shall include certification from a  
 8 qualified medical physician, physician assistant, or advanced  
 9 practice registered nurse for subdivisions (b)(i) through (b)(iii) of  
 10 this subsection, or certification from the United States Department  
 11 of Veterans Affairs affirming that the homeowner is totally disabled  
 12 due to non-service-connected accident or illness for subdivision (b)  
 13 (i) of this subsection, or certification from the Department of  
 14 Health and Human Services for subdivision (b)(iv) of this subsection.  
 15 Such certification from a qualified medical physician, physician  
 16 assistant, or advanced practice registered nurse or from the  
 17 Department of Health and Human Services shall be made on forms  
 18 prescribed by the Department of Revenue.

19 (2) For ~~2000, 2014,~~ for a married or closely related  
 20 claimant as described in subsection (1) of this section, the  
 21 percentage of the exempt amount for which the claimant shall be  
 22 eligible shall be the percentage in Column B which corresponds with  
 23 the claimant's household income in Column A in the table found in  
 24 this subsection.

25 ~~Column A~~

~~Column B~~

1	<del>Household Income</del>	<del>Percentage</del>
2	<del>In Dollars</del>	<del>Of Relief</del>
3	<del>0 through 24,700</del>	<del>100</del>
4	<del>24,701 through 25,900</del>	<del>85</del>
5	<del>25,901 through 27,100</del>	<del>70</del>
6	<del>27,101 through 28,300</del>	<del>55</del>
7	<del>28,301 through 29,500</del>	<del>40</del>
8	<del>29,501 through 30,700</del>	<del>25</del>
9	<del>30,701 and over</del>	<del>0</del>
10	<u>Column A</u>	<u>Column B</u>
11	<u>Household Income</u>	<u>Percentage</u>
12	<u>In Dollars</u>	<u>Of Relief</u>
13	<u>0 through 34,700</u>	<u>100</u>
14	<u>34,701 through 36,400</u>	<u>90</u>
15	<u>36,401 through 38,100</u>	<u>80</u>
16	<u>38,101 through 39,800</u>	<u>70</u>
17	<u>39,801 through 41,500</u>	<u>60</u>
18	<u>41,501 through 43,200</u>	<u>50</u>
19	<u>43,201 through 44,900</u>	<u>40</u>
20	<u>44,901 through 46,600</u>	<u>30</u>
21	<u>46,601 through 48,300</u>	<u>20</u>

1	<u>48,301 through 50,000</u>	<u>10</u>
2	<u>50,001 and over</u>	<u>0</u>

3           (3) For ~~2000, 2014,~~ for a single claimant as described in  
 4 subsection (1) of this section, the percentage of the exempt amount  
 5 for which the claimant shall be eligible shall be the percentage in  
 6 Column B which corresponds with the claimant's household income in  
 7 Column A in the table found in this subsection.

8	<del>Column A</del>	<del>Column B</del>
9	<del>Household Income</del>	<del>Percentage</del>
10	<del>In Dollars</del>	<del>Of Relief</del>
11	<del>0 through 21,600</del>	<del>100</del>
12	<del>21,601 through 22,600</del>	<del>85</del>
13	<del>22,601 through 23,600</del>	<del>70</del>
14	<del>23,601 through 24,600</del>	<del>55</del>
15	<del>24,601 through 25,600</del>	<del>40</del>
16	<del>25,601 through 26,600</del>	<del>25</del>
17	<del>26,601 and over</del>	<del>0</del>

18	<u>Column A</u>	<u>Column B</u>
19	<u>Household Income</u>	<u>Percentage</u>
20	<u>In Dollars</u>	<u>Of Relief</u>
21	<u>0 through 30,300</u>	<u>100</u>
22	<u>30,301 through 31,700</u>	<u>90</u>



1	<u>31,701 through 33,100</u>	<u>80</u>
2	<u>33,101 through 34,500</u>	<u>70</u>
3	<u>34,501 through 35,900</u>	<u>60</u>
4	<u>35,901 through 37,300</u>	<u>50</u>
5	<u>37,301 through 38,700</u>	<u>40</u>
6	<u>38,701 through 40,100</u>	<u>30</u>
7	<u>40,101 through 41,500</u>	<u>20</u>
8	<u>41,501 through 42,900</u>	<u>10</u>
9	<u>42,901 and over</u>	<u>0</u>

10           (4) For exemption applications filed in calendar year  
 11 ~~2001-2015~~ and each year thereafter, the income eligibility amounts in  
 12 subsections (2) and (3) of this section shall be adjusted for  
 13 inflation by the method provided in section 151 of the Internal  
 14 Revenue Code. The income eligibility amounts shall be adjusted for  
 15 cumulative inflation since ~~2000~~.—2014. If any amount is not a  
 16 multiple of one hundred dollars, the amount shall be rounded to the  
 17 next lower multiple of one hundred dollars.

18           Sec. 3. Section 77-3509, Reissue Revised Statutes of  
 19 Nebraska, is amended to read:

20           77-3509 (1)(a) All homesteads in this state shall be  
 21 assessed for taxation the same as other property, except that there  
 22 shall be exempt from taxation, on any homestead described in  
 23 subdivision (b) of this subsection, a percentage of the exempt amount  
 24 as limited by section 77-3506.03.

1           (b) The exemption described in subdivision (a) of this  
2 subsection shall apply to homesteads of:

3           (i) A veteran described in section 80-401.01 who was  
4 discharged or otherwise separated with a characterization of  
5 honorable or general (under honorable conditions), who is drawing  
6 compensation from the United States Department of Veterans Affairs  
7 because of one hundred percent disability, and who is not eligible  
8 for total exemption under sections 77-3526 to 77-3528 or the  
9 unremarried widow or widower of a veteran described in this  
10 subdivision (i);

11           (ii) An unremarried widow or widower of any veteran,  
12 including a veteran other than a veteran described in section  
13 80-401.01, who was discharged or otherwise separated with a  
14 characterization of honorable or general (under honorable conditions)  
15 and who died because of a service-connected disability;

16           (iii) An unremarried widow or widower of a serviceman or  
17 servicewoman who died while on active duty during the periods  
18 described in section 80-401.01; and

19           (iv) An unremarried widow or widower of a serviceman or  
20 servicewoman, including a veteran other than a veteran described in  
21 section 80-401.01, whose death while on active duty was service-  
22 connected.

23           (c) The exemption described in subdivision (a) of this  
24 subsection shall be based on the household income of a claimant  
25 pursuant to subsections (2) through (4) of this section. Application

1 for exemption under this section shall include certification of the  
2 status set forth in this section from the United States Department of  
3 Veterans Affairs.

4 (2) For 2000,~~2014,~~ for a married or closely related  
5 claimant as described in subsection (1) of this section, the  
6 percentage of the exempt amount for which the claimant shall be  
7 eligible shall be the percentage in Column B which corresponds with  
8 the claimant's household income in Column A in the table found in  
9 this subsection.

10	<del>Column A</del>	<del>Column B</del>
11	<del>Household Income</del>	<del>Percentage</del>
12	<del>In Dollars</del>	<del>Of Relief</del>
13	<del>0 through 24,700</del>	<del>100</del>
14	<del>24,701 through 25,900</del>	<del>85</del>
15	<del>25,901 through 27,100</del>	<del>70</del>
16	<del>27,101 through 28,300</del>	<del>55</del>
17	<del>28,301 through 29,500</del>	<del>40</del>
18	<del>29,501 through 30,700</del>	<del>25</del>
19	<del>30,701 and over</del>	<del>0</del>
20	<u>Column A</u>	<u>Column B</u>
21	<u>Household Income</u>	<u>Percentage</u>
22	<u>In Dollars</u>	<u>Of Relief</u>
23	<u>0 through 34,700</u>	<u>100</u>

1	<u>34,701 through 36,400</u>	<u>90</u>
2	<u>36,401 through 38,100</u>	<u>80</u>
3	<u>38,101 through 39,800</u>	<u>70</u>
4	<u>39,801 through 41,500</u>	<u>60</u>
5	<u>41,501 through 43,200</u>	<u>50</u>
6	<u>43,201 through 44,900</u>	<u>40</u>
7	<u>44,901 through 46,600</u>	<u>30</u>
8	<u>46,601 through 48,300</u>	<u>20</u>
9	<u>48,301 through 50,000</u>	<u>10</u>
10	<u>50,001 and over</u>	<u>0</u>

11 (3) For ~~2000, 2014,~~ for a single claimant as described in  
 12 subsection (1) of this section, the percentage of the exempt amount  
 13 for which the claimant shall be eligible shall be the percentage in  
 14 Column B which corresponds with the claimant's household income in  
 15 Column A in the table found in this subsection.

16	<del>Column A</del>	<del>Column B</del>
17	<del>Household Income</del>	<del>Percentage</del>
18	<del>In Dollars</del>	<del>Of Relief</del>
19	<del>0 through 21,600</del>	<del>100</del>
20	<del>21,601 through 22,600</del>	<del>85</del>
21	<del>22,601 through 23,600</del>	<del>70</del>
22	<del>23,601 through 24,600</del>	<del>55</del>

1	<del>24,601 through 25,600</del>	40
2	<del>25,601 through 26,600</del>	25
3	<del>26,601 and over</del>	0
4	<u>Column A</u>	<u>Column B</u>
5	<u>Household Income</u>	<u>Percentage</u>
6	<u>In Dollars</u>	<u>Of Relief</u>
7	<u>0 through 30,300</u>	<u>100</u>
8	<u>30,301 through 31,700</u>	<u>90</u>
9	<u>31,701 through 33,100</u>	<u>80</u>
10	<u>33,101 through 34,500</u>	<u>70</u>
11	<u>34,501 through 35,900</u>	<u>60</u>
12	<u>35,901 through 37,300</u>	<u>50</u>
13	<u>37,301 through 38,700</u>	<u>40</u>
14	<u>38,701 through 40,100</u>	<u>30</u>
15	<u>40,101 through 41,500</u>	<u>20</u>
16	<u>41,501 through 42,900</u>	<u>10</u>
17	<u>42,901 and over</u>	<u>0</u>

18 (4) For exemption applications filed in calendar year  
 19 ~~2001-2015~~ and each year thereafter, the income eligibility amounts in  
 20 subsections (2) and (3) of this section shall be adjusted for  
 21 inflation by the method provided in section 151 of the Internal  
 22 Revenue Code. The income eligibility amounts shall be adjusted for

1 cumulative inflation since 2000.—2014. If any amount is not a  
2 multiple of one hundred dollars, the amount shall be rounded to the  
3 next lower multiple of one hundred dollars.

4 Sec. 4. Section 77-3513, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6 77-3513 (1) Except as required by section 77-3514, if an  
7 owner is granted a homestead exemption as provided in section 77-3507  
8 or 77-3509 or subdivision (1)(b)(ii), ~~or (iii)~~, or (iv) of section  
9 77-3508, no reapplication need be filed for succeeding years, in  
10 which case the county assessor and Tax Commissioner shall determine  
11 whether the claimant qualifies for the homestead exemption in such  
12 succeeding years as otherwise provided in sections 77-3501 to 77-3529  
13 as though a claim were made.

14 (2) It shall be the duty of each claimant who wants the  
15 homestead exemption provided in subdivision (1)(b)(i) of section  
16 77-3508 to file an application therefor with the county assessor on  
17 or before June 30 of each year. Failure to do so shall constitute a  
18 waiver of the exemption for such year, except that:

19 (a) The county board of the county in which the homestead  
20 is located may, by majority vote, extend the deadline for an  
21 applicant to on or before July 20. An extension shall not be granted  
22 to an applicant who received an extension in the immediately  
23 preceding year; and

24 (b) A claimant may file a late application pursuant to  
25 section 77-3514.01 if he or she includes documentation of a medical

1 condition which impaired the claimant's ability to file the  
2 application in a timely manner.

3           (3) The county assessor shall mail a notice on or before  
4 April 1 to claimants who are the owners of a homestead which was  
5 granted an exemption under subdivision (1)(b)(i) of section 77-3508  
6 in the preceding year unless the claimant has already filed the  
7 application for the current year or the county assessor has reason to  
8 believe there has been a change of circumstances so that the claimant  
9 no longer qualifies. The notice shall include the claimant's name,  
10 the application deadlines for the current year, a list of documents  
11 that must be filed with the application, and the county assessor's  
12 office address and telephone number.

13           Sec. 5. Original sections 77-3507, 77-3508, 77-3509, and  
14 77-3513, Reissue Revised Statutes of Nebraska, are repealed.

15           Sec. 6. Since an emergency exists, this act takes effect  
16 when passed and approved according to law.