

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 912**

Introduced by Kolowski, 31.

Read first time January 15, 2014

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section 14-554,  
2 Reissue Revised Statutes of Nebraska; to adopt the  
3 Property Tax Relief Act; to harmonize provisions; and to  
4 repeal the original section.  
5 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 5 of this act shall be known and  
2 may be cited as the Property Tax Relief Act.

3           Sec. 2. The purpose of the Property Tax Relief Act is to  
4 provide property tax relief for property taxes levied against  
5 homesteads.

6           Sec. 3. For purposes of the Property Tax Relief Act,  
7 homestead means either (1) a residence or mobile home, and the land  
8 surrounding it, not exceeding one acre, in this state actually  
9 occupied as such by a natural person who is the owner of record  
10 thereof from January 1 through August 15 in each year, (2) a  
11 residence or mobile home located on land leased by the owner of the  
12 residence or mobile home, which is located within this state, and is  
13 actually occupied by the person who is the owner of record from  
14 January 1 through August 15 in each year, or so occupied by the  
15 surviving spouse and minor children, if any, of such owner of record  
16 during the year of the owner's death, or so much thereof as shall be  
17 so occupied, or (3) a residential unit in a dwelling complex, the  
18 record title owner of which is a not-for-profit corporation, when the  
19 purchase for fair market value of a life tenancy in a taxable unit of  
20 the dwelling complex entitles the purchaser to exclusive occupancy of  
21 that unit for life, actually occupied by a natural person who has a  
22 life tenancy therein from January 1 through August 15 in each year.  
23 For purposes of this section, mobile home shall include every  
24 transportable or relocatable device of any description without motive  
25 power and designed for living quarters, whether or not permanently

1 attached to real estate, but shall not include a cabin trailer  
2 registered for operation upon the highways of this state.

3 Sec. 4. The Property Tax Relief Fund is created. Any  
4 money in the fund available for investment shall be invested by the  
5 state investment officer pursuant to the Nebraska Capital Expansion  
6 Act and the Nebraska State Funds Investment Act.

7 Sec. 5. (1) For tax year 2015 and each tax year  
8 thereafter, all homesteads in this state shall be assessed for  
9 taxation the same as other property, except that there shall be  
10 exempt from taxation of homesteads an amount equal to eight thousand  
11 dollars.

12 (2) An owner shall file an application for the homestead  
13 exemption with the county assessor of the county in which the  
14 homestead is located after February 1 and on or before June 30.  
15 Failure to do so shall constitute a waiver of the exemption for that  
16 year, except that:

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

22 (b) An owner may file a late application if he or she  
23 includes documentation of a medical condition which impaired the  
24 owner's ability to file the application in a timely manner; and

25 (c) For tax year 2016 and subsequent tax years, if an

1 owner has been granted the homestead exemption, no reapplication need  
2 be filed for succeeding years, in which case the county assessor  
3 shall determine whether the claimant qualifies for the homestead  
4 exemption in such succeeding years as though a claim were made.

5 (3) Reimbursement to counties for the homestead exemption  
6 shall be made from the Property Tax Relief Fund. The county treasurer  
7 shall, on or before November 30 of each year, certify to the Tax  
8 Commissioner the total tax revenue that will be lost to all taxing  
9 agencies within his or her county from taxes levied and assessed in  
10 that year because of the homestead exemption. The county treasurer  
11 may amend the certification to show any change or correction in the  
12 total tax that will be lost until May 30 of the next succeeding year.  
13 If a homestead exemption is approved, denied, or corrected after May  
14 1 of the next year, the county treasurer shall prepare and submit  
15 amended reports to the Tax Commissioner and the political  
16 subdivisions covering any affected year and shall adjust the  
17 reimbursement to the county and the other political subdivisions by  
18 adjusting the reimbursement due under this section in later years.  
19 The Tax Commissioner shall, on or before January 1 next following  
20 such certification or within thirty days of any amendment to the  
21 certification, notify the Director of Administrative Services of the  
22 amount so certified to be reimbursed by the state. Reimbursement of  
23 the funds lost shall be made to each county according to the  
24 certification and shall be distributed in six as nearly as possible  
25 equal monthly payments on the last business day of each month

1 beginning in January. The State Treasurer shall, on the business day  
2 preceding the last business day of each month, notify the Director of  
3 Administrative Services of the amount of funds available in the  
4 Property Tax Relief Fund for payment purposes. The Director of  
5 Administrative Services shall, on the last business day of each  
6 month, draw warrants against funds appropriated. Out of the amount so  
7 received the county treasurer shall distribute to each of the taxing  
8 agencies within his or her county the full amount so lost by such  
9 agency, except that one percent of such amount shall be deposited in  
10 the county general fund and that the amount due a Class V school  
11 district shall be paid to the district and the county shall be  
12 compensated pursuant to section 14-554. Each taxing agency shall, in  
13 preparing its annual or biennial budget, take into account the amount  
14 to be received under this section.

15 (4) The homestead exemption provided in this section  
16 shall be in addition to any homestead exemption granted by sections  
17 77-3501 to 77-3529.

18 Sec. 6. Section 14-554, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20 14-554 (1) The county in which any city of the  
21 metropolitan class is located shall receive as full compensation an  
22 amount equal to one percent of all money collected from taxation by  
23 the county for such city. Such fee shall be paid monthly out of the  
24 general funds of the city.

25 (2) Such county shall receive as full compensation for

1 the collection and disbursement of all money from taxation and  
2 pursuant to section 77-3523 and section 5 of this act coming to the  
3 board of education an amount equal to one percent thereof, to be paid  
4 out of the general fund.

5 (3) Such county shall receive as full compensation for  
6 the collection and disbursement of the funds of the metropolitan  
7 utilities district an amount equal to one percent of all money  
8 collected by the county treasurer.

9 Sec. 7. Original section 14-554, Reissue Revised Statutes  
10 of Nebraska, is repealed.