

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 986

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, and 77-3509, Reissue Revised Statutes
3 of Nebraska; to change homestead exemption income
4 limitations; to repeal the original sections; and to
5 declare an emergency.
6 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	Column A	Column B
16	Household Income	Percentage
17	In Dollars	Of Relief
18	0 through 22,500	100
19	22,501 through 23,700	85
20	23,701 through 24,900	70
21	24,901 through 26,100	55
22	26,101 through 27,300	40
23	27,301 through 28,500	25
24	28,501 and over	0

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 22,500</u>	<u>100</u>
5	<u>22,501 through 24,500</u>	<u>90</u>
6	<u>24,501 through 26,500</u>	<u>80</u>
7	<u>26,501 through 28,500</u>	<u>70</u>
8	<u>28,501 through 30,500</u>	<u>60</u>
9	<u>30,501 through 32,500</u>	<u>50</u>
10	<u>32,501 through 34,500</u>	<u>40</u>
11	<u>34,501 through 36,500</u>	<u>30</u>
12	<u>36,501 through 38,500</u>	<u>20</u>
13	<u>38,501 through 40,500</u>	<u>10</u>
14	<u>40,501 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	Column A	Column B
21	Household Income	Percentage
22	In Dollars	Of Relief

1	0 through 19,200	100
2	19,201 through 20,200	85
3	20,201 through 21,200	70
4	21,201 through 22,200	55
5	22,201 through 23,200	40
6	23,201 through 24,200	25
7	24,201 and over	0
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 19,200</u>	<u>100</u>
12	<u>19,201 through 21,200</u>	<u>90</u>
13	<u>21,201 through 23,200</u>	<u>80</u>
14	<u>23,201 through 25,200</u>	<u>70</u>
15	<u>25,201 through 27,200</u>	<u>60</u>
16	<u>27,201 through 29,200</u>	<u>50</u>
17	<u>29,201 through 31,200</u>	<u>40</u>
18	<u>31,201 through 33,200</u>	<u>30</u>
19	<u>33,201 through 35,200</u>	<u>20</u>
20	<u>35,201 through 37,200</u>	<u>10</u>
21	<u>37,201 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.

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

14 (2) For ~~2000, 2014,~~ for a married or closely related
 15 claimant as described in subsection (1) of this section, 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	Column A	Column B
21	Household Income	Percentage
22	In Dollars	Of Relief
23	0 through 24,700	100
24	24,701 through 25,900	85

1	25,901 through 27,100	70
2	27,101 through 28,300	55
3	28,301 through 29,500	40
4	29,501 through 30,700	25
5	30,701 and over	0
6	<u>Column A</u>	<u>Column B</u>
7	<u>Household Income</u>	<u>Percentage</u>
8	<u>In Dollars</u>	<u>Of Relief</u>
9	<u>0 through 24,700</u>	<u>100</u>
10	<u>24,701 through 26,700</u>	<u>90</u>
11	<u>26,701 through 28,700</u>	<u>80</u>
12	<u>28,701 through 30,700</u>	<u>70</u>
13	<u>30,701 through 32,700</u>	<u>60</u>
14	<u>32,701 through 34,700</u>	<u>50</u>
15	<u>34,701 through 36,700</u>	<u>40</u>
16	<u>36,701 through 38,700</u>	<u>30</u>
17	<u>38,701 through 40,700</u>	<u>20</u>
18	<u>40,701 through 42,700</u>	<u>10</u>
19	<u>42,701 and over</u>	<u>0</u>

20 (3) For ~~2000, 2014,~~ for a single claimant as described in
 21 subsection (1) of this section, the percentage of the exempt amount
 22 for which the claimant shall be eligible shall be the percentage in

1 Column B which corresponds with the claimant's household income in
 2 Column A in the table found in this subsection.

3	Column A	Column B
4	Household Income	Percentage
5	In Dollars	Of Relief
6	0 through 21,600	100
7	21,601 through 22,600	85
8	22,601 through 23,600	70
9	23,601 through 24,600	55
10	24,601 through 25,600	40
11	25,601 through 26,600	25
12	26,601 and over	0
13	<u>Column A</u>	<u>Column B</u>
14	<u>Household Income</u>	<u>Percentage</u>
15	<u>In Dollars</u>	<u>Of Relief</u>
16	<u>0 through 21,600</u>	<u>100</u>
17	<u>21,601 through 23,600</u>	<u>90</u>
18	<u>23,601 through 25,600</u>	<u>80</u>
19	<u>25,601 through 27,600</u>	<u>70</u>
20	<u>27,601 through 29,600</u>	<u>60</u>
21	<u>29,601 through 31,600</u>	<u>50</u>
22	<u>31,601 through 33,600</u>	<u>40</u>

1	<u>33,601 through 35,600</u>	<u>30</u>
2	<u>35,601 through 37,600</u>	<u>20</u>
3	<u>37,601 through 39,600</u>	<u>10</u>
4	<u>39,601 and over</u>	<u>0</u>

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

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

15 77-3509 (1)(a) All homesteads in this state shall be
16 assessed for taxation the same as other property, except that there
17 shall be exempt from taxation, on any homestead described in
18 subdivision (b) of this subsection, a percentage of the exempt amount
19 as limited by section 77-3506.03.

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

22 (i) A veteran described in section 80-401.01 who was
23 discharged or otherwise separated with a characterization of
24 honorable or general (under honorable conditions), who is drawing
25 compensation from the United States Department of Veterans Affairs

1 because of one hundred percent disability, and who is not eligible
2 for total exemption under sections 77-3526 to 77-3528 or the
3 unremarried widow or widower of a veteran described in this
4 subdivision (i);

5 (ii) An unremarried widow or widower of any veteran,
6 including a veteran other than a veteran described in section
7 80-401.01, who was discharged or otherwise separated with a
8 characterization of honorable or general (under honorable conditions)
9 and who died because of a service-connected disability;

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

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

17 (c) The exemption described in subdivision (a) of this
18 subsection shall be based on the household income of a claimant
19 pursuant to subsections (2) through (4) of this section. Application
20 for exemption under this section shall include certification of the
21 status set forth in this section from the United States Department of
22 Veterans Affairs.

23 (2) For ~~2000~~, 2014, for a married or closely related
24 claimant as described in subsection (1) of this section, the
25 percentage of the exempt amount for which the claimant shall be

1 eligible shall be the percentage in Column B which corresponds with
 2 the claimant's household income in Column A in the table found in
 3 this subsection.

4	Column A	Column B
5	Household Income	Percentage
6	In Dollars	Of Relief
7	0 through 24,700	100
8	24,701 through 25,900	85
9	25,901 through 27,100	70
10	27,101 through 28,300	55
11	28,301 through 29,500	40
12	29,501 through 30,700	25
13	30,701 and over	0
14	<u>Column A</u>	<u>Column B</u>
15	<u>Household Income</u>	<u>Percentage</u>
16	<u>In Dollars</u>	<u>Of Relief</u>
17	<u>0 through 24,700</u>	<u>100</u>
18	<u>24,701 through 26,700</u>	<u>90</u>
19	<u>26,701 through 28,700</u>	<u>80</u>
20	<u>28,701 through 30,700</u>	<u>70</u>
21	<u>30,701 through 32,700</u>	<u>60</u>
22	<u>32,701 through 34,700</u>	<u>50</u>

1	<u>34,701 through 36,700</u>	<u>40</u>
2	<u>36,701 through 38,700</u>	<u>30</u>
3	<u>38,701 through 40,700</u>	<u>20</u>
4	<u>40,701 through 42,700</u>	<u>10</u>
5	<u>42,701 and over</u>	<u>0</u>

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

11	Column A	Column B
12	Household Income	Percentage
13	In Dollars	Of Relief
14	0 through 21,600	100
15	21,601 through 22,600	85
16	22,601 through 23,600	70
17	23,601 through 24,600	55
18	24,601 through 25,600	40
19	25,601 through 26,600	25
20	26,601 and over	0
21	<u>Column A</u>	<u>Column B</u>
22	<u>Household Income</u>	<u>Percentage</u>

1	<u>In Dollars</u>	<u>Of Relief</u>
2	<u>0 through 21,600</u>	<u>100</u>
3	<u>21,601 through 23,600</u>	<u>90</u>
4	<u>23,601 through 25,600</u>	<u>80</u>
5	<u>25,601 through 27,600</u>	<u>70</u>
6	<u>27,601 through 29,600</u>	<u>60</u>
7	<u>29,601 through 31,600</u>	<u>50</u>
8	<u>31,601 through 33,600</u>	<u>40</u>
9	<u>33,601 through 35,600</u>	<u>30</u>
10	<u>35,601 through 37,600</u>	<u>20</u>
11	<u>37,601 through 39,600</u>	<u>10</u>
12	<u>39,601 and over</u>	<u>0</u>

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

21 Sec. 4. Original sections 77-3507, 77-3508, and 77-3509,
 22 Reissue Revised Statutes of Nebraska, are repealed.

23 Sec. 5. Since an emergency exists, this act takes effect

LB 986

LB 986

1 when passed and approved according to law.