

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 958

FINAL READING

Introduced by Gloor, 35; at the request of the Governor.

Read first time January 14, 2016

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
2 77-4212, Revised Statutes Cumulative Supplement, 2014; to change
3 provisions relating to property tax credits; and to repeal the
4 original section.

5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-4212, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 77-4212 (1) For tax year 2007, the amount of relief granted under
4 the Property Tax Credit Act shall be one hundred five million dollars.
5 For tax year 2008, the amount of relief granted under the act shall be
6 one hundred fifteen million dollars. It is the intent of the Legislature
7 to fund the Property Tax Credit Act for tax years after tax year 2008
8 using available revenue. For tax year 2017, the amount of relief granted
9 under the act shall be two hundred twenty-four million dollars. The
10 relief shall be in the form of a property tax credit which appears on the
11 property tax statement.

12 (2)(a) For tax years prior to tax year 2017, to To determine the
13 amount of the property tax credit, the county treasurer shall multiply
14 the amount disbursed to the county under subdivision subsection (4)(a) of
15 this section by the ratio of the real property valuation of the parcel to
16 the total real property valuation in the county. The amount determined
17 shall be the property tax credit for the property.

18 (b) Beginning with tax year 2017, to determine the amount of the
19 property tax credit, the county treasurer shall multiply the amount
20 disbursed to the county under subdivision (4)(b) of this section by the
21 ratio of the credit allocation valuation of the parcel to the total
22 credit allocation valuation in the county. The amount determined shall be
23 the property tax credit for the property.

24 (3) If the real property owner qualifies for a homestead exemption
25 under sections 77-3501 to 77-3529, the owner shall also be qualified for
26 the relief provided in the act to the extent of any remaining liability
27 after calculation of the relief provided by the homestead exemption. If
28 the credit results in a property tax liability on the homestead that is
29 less than zero, the amount of the credit which cannot be used by the
30 taxpayer shall be returned to the State Treasurer by July 1 of the year
31 the amount disbursed to the county was disbursed. The State Treasurer

1 shall immediately credit any funds returned under this section to the
2 Property Tax Credit Cash Fund.

3 (4)(a) For tax years prior to tax year 2017, the The amount
4 disbursed to each county shall be equal to the amount available for
5 disbursement determined under subsection (1) of this section multiplied
6 by the ratio of the real property valuation in the county to the real
7 property valuation in the state. By September 15, the Property Tax
8 Administrator shall determine the amount to be disbursed under this
9 subdivision ~~subsection~~ to each county and certify such amounts to the
10 State Treasurer and to each county. The disbursements to the counties
11 shall occur in two equal payments, the first on or before January 31 and
12 the second on or before April 1. After retaining one percent of the
13 receipts for costs, the county treasurer shall allocate the remaining
14 receipts to each taxing unit levying taxes on taxable property in the tax
15 district in which the real property is located in the same proportion
16 that the levy of such taxing unit bears to the total levy on taxable
17 property of all the taxing units in the tax district in which the real
18 property is located.

19 (b) Beginning with tax year 2017, the amount disbursed to each
20 county shall be equal to the amount available for disbursement determined
21 under subsection (1) of this section multiplied by the ratio of the
22 credit allocation valuation in the county to the credit allocation
23 valuation in the state. By September 15, the Property Tax Administrator
24 shall determine the amount to be disbursed under this subdivision to each
25 county and certify such amounts to the State Treasurer and to each
26 county. The disbursements to the counties shall occur in two equal
27 payments, the first on or before January 31 and the second on or before
28 April 1. After retaining one percent of the receipts for costs, the
29 county treasurer shall allocate the remaining receipts to each taxing
30 unit based on its share of the credits granted to all taxpayers in the
31 taxing unit.

1 (5) For purposes of this section, credit allocation valuation means
2 the taxable value for all real property except agricultural land and
3 horticultural land, one hundred twenty percent of taxable value for
4 agricultural land and horticultural land that is not subject to special
5 valuation, and one hundred twenty percent of taxable value for
6 agricultural land and horticultural land that is subject to special
7 valuation.

8 (6 5) The State Treasurer shall transfer from the General Fund to
9 the Property Tax Credit Cash Fund one hundred five million dollars by
10 August 1, 2007, and one hundred fifteen million dollars by August 1,
11 2008.

12 (7 6) The Legislature shall have the power to transfer funds from
13 the Property Tax Credit Cash Fund to the General Fund.

14 Sec. 2. Original section 77-4212, Revised Statutes Cumulative
15 Supplement, 2014, is repealed.