

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 615

Introduced by Kintner, 2; Ebke, 32; Groene, 42; Larson, 40; Lindstrom,
18; Schilz, 47; Watermeier, 1.

Read first time January 21, 2015

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
- 2 77-3507, 77-3508, and 77-3509, Revised Statutes Cumulative
- 3 Supplement, 2014; to provide a property tax exemption for homesteads
- 4 of certain persons; to harmonize provisions; to provide an operative
- 5 date; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) For purposes of this section, homestead has the same
2 meaning as in section 77-3502.

3 (2) Any homestead that is purchased or constructed on or after the
4 operative date of this act by a person who is sixty-seven years of age or
5 older shall be assessed for taxation the same as other property, except
6 that there shall be exempt from taxation an amount equal to the
7 homestead's assessed value for the current taxable year minus the
8 homestead's assessed value as of the date the homestead was purchased or
9 constructed.

10 (3) If, on or after the operative date of this act, a person reaches
11 sixty-seven years of age, such person's homestead shall be assessed for
12 taxation the same as other property, except that there shall be exempt
13 from taxation an amount equal to the homestead's assessed value for the
14 current taxable year minus the homestead's assessed value as of the date
15 the person reaches sixty-seven years of age.

16 (4) If a person is at least sixty-seven years of age and owns a
17 homestead on the operative date of this act, such person's homestead
18 shall be assessed for taxation the same as other property, except that
19 there shall be exempt from taxation an amount equal to the homestead's
20 assessed value for the current taxable year minus the homestead's
21 assessed value as of the operative date of this act.

22 (5) If a homestead is jointly owned and one of the owners qualifies
23 for an exemption under this section, the homestead shall receive the
24 exemption.

25 (6) The exemptions provided in this section shall not apply to
26 substantial improvements to real property made after the person first
27 qualifies for an exemption under this section.

28 (7) Any person receiving a homestead exemption under section
29 77-3507, 77-3508, or 77-3509 shall be eligible to receive the exemption
30 provided in this section and all exemption amounts shall be added
31 together to determine a person's property tax liability, except that a

1 person's property tax liability shall not be reduced below zero.

2 Sec. 2. Section 77-3507, Revised Statutes Cumulative Supplement,
3 2014, is amended to read:

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

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

15	Column A	Column B
16	Household Income	Percentage
17	In Dollars	Of Relief
18	0 through 31,600	100
19	31,601 through 33,300	90
20	33,301 through 35,000	80
21	35,001 through 36,700	70
22	36,701 through 38,400	60
23	38,401 through 40,100	50
24	40,101 through 41,800	40
25	41,801 through 43,500	30
26	43,501 through 45,200	20
27	45,201 through 46,900	10
28	46,901 and over	0

29 (3) For 2014, for a qualified single claimant, the percentage of the
30 exempt amount for which the claimant shall be eligible shall be the
31 percentage in Column B which corresponds with the claimant's household

1 income in Column A in the table found in this subsection.

2	Column A	Column B
3	Household Income	Percentage
4	In Dollars	Of Relief
5	0 through 26,900	100
6	26,901 through 28,300	90
7	28,301 through 29,700	80
8	29,701 through 31,100	70
9	31,101 through 32,500	60
10	32,501 through 33,900	50
11	33,901 through 35,300	40
12	35,301 through 36,700	30
13	36,701 through 38,100	20
14	38,101 through 39,500	10
15	39,501 and over	0

16 (4) For exemption applications filed in calendar year 2015 and each
17 year thereafter, the income eligibility amounts in subsections (2) and
18 (3) of this section shall be adjusted for inflation by the method
19 provided in section 151 of the Internal Revenue Code. The income
20 eligibility amounts shall be adjusted for cumulative inflation since
21 2014. If any amount is not a multiple of one hundred dollars, the amount
22 shall be rounded to the next lower multiple of one hundred dollars.

23 (5) Any person receiving a property tax exemption under section 1 of
24 this act shall be eligible to receive the exemption provided in this
25 section and all exemption amounts shall be added together to determine a
26 person's property tax liability, except that a person's property tax
27 liability shall not be reduced below zero.

28 Sec. 3. Section 77-3508, Revised Statutes Cumulative Supplement,
29 2014, is amended to read:

30 77-3508 (1)(a) All homesteads in this state shall be assessed for
31 taxation the same as other property, except that there shall be exempt

1 from taxation, on any homestead described in subdivision (b) of this
2 subsection, a percentage of the exempt amount as limited by section
3 77-3506.03. The exemption shall be based on the household income of a
4 claimant pursuant to subsections (2) through (4) of this section.

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

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

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

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

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

19 (c) Application for the exemption described in subdivision (a) of
20 this subsection shall include certification from a qualified medical
21 physician, physician assistant, or advanced practice registered nurse for
22 subdivisions (b)(i) through (b)(iii) of this subsection, certification
23 from the United States Department of Veterans Affairs affirming that the
24 homeowner is totally disabled due to non-service-connected accident or
25 illness for subdivision (b)(i) of this subsection, or certification from
26 the Department of Health and Human Services for subdivision (b)(iv) of
27 this subsection. Such certification from a qualified medical physician,
28 physician assistant, or advanced practice registered nurse or from the
29 Department of Health and Human Services shall be made on forms prescribed
30 by the Department of Revenue.

31 (2) For 2014, for a married or closely related claimant as described

1 in subsection (1) of this section, the percentage of the exempt amount
2 for which the claimant shall be eligible shall be the percentage in
3 Column B which corresponds with the claimant's household income in Column
4 A in the table found in this subsection.

5	Column A	Column B
6	Household Income	Percentage
7	In Dollars	Of Relief
8	0 through 34,700	100
9	34,701 through 36,400	90
10	36,401 through 38,100	80
11	38,101 through 39,800	70
12	39,801 through 41,500	60
13	41,501 through 43,200	50
14	43,201 through 44,900	40
15	44,901 through 46,600	30
16	46,601 through 48,300	20
17	48,301 through 50,000	10
18	50,001 and over	0

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

24	Column A	Column B
25	Household Income	Percentage
26	In Dollars	Of Relief
27	0 through 30,300	100
28	30,301 through 31,700	90
29	31,701 through 33,100	80
30	33,101 through 34,500	70

1	34,501 through 35,900	60
2	35,901 through 37,300	50
3	37,301 through 38,700	40
4	38,701 through 40,100	30
5	40,101 through 41,500	20
6	41,501 through 42,900	10
7	42,901 and over	0

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

15 (5) Any person receiving a property tax exemption under section 1 of
16 this act shall be eligible to receive the exemption provided in this
17 section and all exemption amounts shall be added together to determine a
18 person's property tax liability, except that a person's property tax
19 liability shall not be reduced below zero.

20 Sec. 4. Section 77-3509, Revised Statutes Cumulative Supplement,
21 2014, is amended to read:

22 77-3509 (1)(a) All homesteads in this state shall be assessed for
23 taxation the same as other property, except that there shall be exempt
24 from taxation, on any homestead described in subdivision (b) of this
25 subsection, a percentage of the exempt amount as limited by section
26 77-3506.03.

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

29 (i) A veteran described in section 80-401.01 who was discharged or
30 otherwise separated with a characterization of honorable or general
31 (under honorable conditions), who is drawing compensation from the United

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

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

10 (iii) An unremarried widow or widower of a serviceman or
11 servicewoman who died while on active duty during the periods described
12 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 subsection
18 shall be based on the household income of a claimant pursuant to
19 subsections (2) through (4) of this section. Application for exemption
20 under this section shall include certification of the status set forth in
21 this section from the United States Department of Veterans Affairs.

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

27	Column A	Column B
28	Household Income	Percentage
29	In Dollars	Of Relief
30	0 through 34,700	100
31	34,701 through 36,400	90

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

10 (3) For 2014, for a single claimant as described in subsection (1)
 11 of this section, 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 table
 14 found in this subsection.

15	Column A	Column B
16	Household Income	Percentage
17	In Dollars	Of Relief
18	0 through 30,300	100
19	30,301 through 31,700	90
20	31,701 through 33,100	80
21	33,101 through 34,500	70
22	34,501 through 35,900	60
23	35,901 through 37,300	50
24	37,301 through 38,700	40
25	38,701 through 40,100	30
26	40,101 through 41,500	20
27	41,501 through 42,900	10
28	42,901 and over	0

29 (4) For exemption applications filed in calendar year 2015 and each
 30 year thereafter, the income eligibility amounts in subsections (2) and

1 (3) of this section shall be adjusted for inflation by the method
2 provided in section 151 of the Internal Revenue Code. The income
3 eligibility amounts shall be adjusted for cumulative inflation since
4 2014. If any amount is not a multiple of one hundred dollars, the amount
5 shall be rounded to the next lower multiple of one hundred dollars.

6 (5) Any person receiving a property tax exemption under section 1 of
7 this act shall be eligible to receive the exemption provided in this
8 section and all exemption amounts shall be added together to determine a
9 person's property tax liability, except that a person's property tax
10 liability shall not be reduced below zero.

11 Sec. 5. This act becomes operative on January 1, 2016.

12 Sec. 6. Original sections 77-3507, 77-3508, and 77-3509, Revised
13 Statutes Cumulative Supplement, 2014, are repealed.