

AMENDMENTS TO LB332
(Amendments to AM1298)

Introduced by Krist, 10.

1 1. Insert the following new sections:

2 Section 1. Sections 1 to 9 of this act shall be known and may be
3 cited as the Agricultural Valuation Fairness Act.

4 Sec. 2. Pursuant to Article VIII, section 1, subdivisions (4) and
5 (5), of the Constitution of Nebraska, the Legislature finds and declares
6 that:

7 (1) The agricultural industry is a vital part of the economy of this
8 state;

9 (2) The nature of the agricultural industry and commodity prices
10 affect the value of agricultural land and horticultural land;

11 (3) All agricultural land and horticultural land in Nebraska has an
12 actual value as defined in section 77-112 reflecting purposes or uses
13 other than agricultural or horticultural purposes or uses;

14 (4) Market influences to use agricultural land and horticultural
15 land for purposes other than agricultural or horticultural purposes are
16 present throughout the state and cause the prices paid for agricultural
17 land and horticultural land to exceed the value such land has for
18 agricultural or horticultural purposes;

19 (5) The best and most uniform way to exclude any value that
20 agricultural land and horticultural land has for purposes other than
21 agricultural or horticultural purposes is to rely on the income-producing
22 characteristics of the land; and

23 (6) Agricultural land and horticultural land should be assessed at
24 its agricultural-use value using an income approach that complies with
25 professionally accepted mass appraisal techniques.

26 Sec. 3. For purposes of the Agricultural Valuation Fairness Act:

1 (1) Agricultural land and horticultural land means a parcel of land,
2 excluding land associated with a building or enclosed structure located
3 on the parcel, which is primarily used for agricultural or horticultural
4 purposes, including wasteland lying in or adjacent to and in common
5 ownership or management with other agricultural land and horticultural
6 land;

7 (2) Agricultural or horticultural purposes means used for the
8 commercial production of any plant or animal product in a raw or
9 unprocessed state that is derived from the science and art of
10 agriculture, aquaculture, or horticulture. Agricultural or horticultural
11 purposes includes the following uses of land:

12 (a) Land retained or protected for future agricultural or
13 horticultural purposes under a conservation easement approved as required
14 by section 76-2,112 except when the parcel or a portion thereof is being
15 used for purposes other than agricultural or horticultural purposes; and

16 (b) Land enrolled in a federal or state program in which payments
17 are received for removing such land from agricultural or horticultural
18 production;

19 (3) Agricultural-use value means the value of land for agricultural
20 or horticultural purposes or uses without regard to the value of such
21 land for other purposes or uses as determined pursuant to the
22 Agricultural Valuation Fairness Act;

23 (4) Farm home site means land contiguous to a farm site which
24 includes an inhabitable residence and improvements used for residential
25 purposes and which is located outside of urban areas or outside a platted
26 and zoned subdivision; and

27 (5) Farm site means the portion of land contiguous to land actively
28 devoted to agriculture which includes improvements that are agricultural
29 or horticultural in nature, including any uninhabitable or unimproved
30 farm home site.

31 Sec. 4. (1) Agricultural land and horticultural land shall be a

1 separate and distinct class of real property for purposes of assessment.

2 (2) For assessments made on or after January 1, 2018, the assessed
3 value of agricultural land and horticultural land shall be determined as
4 follows:

5 (a) The assessed value of agricultural land and horticultural land
6 shall not be uniform and proportionate with all other real property, but
7 the assessed value shall be uniform and proportionate within the class of
8 agricultural land and horticultural land based on the income potential of
9 the land; and

10 (b) Agricultural land and horticultural land shall be valued at its
11 agricultural-use value as determined pursuant to the Agricultural
12 Valuation Fairness Act regardless of any value which such land might have
13 for purposes other than agricultural or horticultural purposes.

14 (3) The eligibility of land for agricultural-use value shall be
15 determined each year as of January 1. If land so qualified becomes
16 disqualified on or before December 31 of that year, it shall continue to
17 receive agricultural-use value until January 1 of the year following.

18 Sec. 5. (1) The county assessor shall use an income-approach
19 calculation to determine the agricultural-use value for each assessment
20 year beginning on or after January 1, 2018. The income-approach
21 calculation shall be consistent with the Agricultural Valuation Fairness
22 Act and any rules and regulations adopted and promulgated by the Tax
23 Commissioner and shall comply with professionally accepted mass appraisal
24 techniques.

25 (2) For purposes of assessing agricultural land and horticultural
26 land using the income approach, agricultural land and horticultural land
27 shall be divided into classes and subclasses of real property under
28 section 77-103.01, including, but not limited to, irrigated cropland,
29 dryland cropland, grassland used for grazing, grassland used for haying,
30 wasteland, nurseries, feedlots, and orchards, so that the categories
31 reflect uses appropriate for the valuation of such land according to law.

1 Classes shall be inventoried by subclasses of real property based on soil
2 classification standards developed by the Natural Resources Conservation
3 Service of the United States Department of Agriculture as converted into
4 land capability groups by the Property Tax Administrator. Nothing in this
5 section shall be construed to limit the classes and subclasses of real
6 property that may be used by county assessors or the Tax Equalization and
7 Review Commission to achieve more uniform and proportionate valuations.

8 Sec. 6. (1) The Agricultural Land Valuation Committee is created.
9 The committee's purpose shall be to develop income and expense estimates
10 for all agricultural land and horticultural land in Nebraska and
11 capitalization rates necessary to produce uniform and proportionate
12 assessed valuations. The committee shall meet at least six times per year
13 at the call of the chairperson. The committee shall consist of the
14 following five persons:

15 (a) The Tax Commissioner or a designee from his or her staff who
16 shall serve as the chairperson of the committee;

17 (b) A representative of the agricultural and horticultural industry
18 appointed by the Tax Commissioner. The appointment shall be based on
19 recommendations made by not less than three industry groups designated by
20 the Tax Commissioner;

21 (c) A county assessor appointed by the Tax Commissioner. The county
22 assessor shall be skilled in the valuation of agricultural land and
23 horticultural land and shall hold a certificate issued under section
24 77-422;

25 (d) An appraiser from the private sector appointed by the Tax
26 Commissioner. Such appraiser shall hold either a valid credential as a
27 certified general real property appraiser under the Real Property
28 Appraiser Act or an MAI designation from the Appraisal Institute; and

29 (e) A representative from the faculty of one of the research
30 universities in the state specializing in agricultural economics
31 appointed by the Tax Commissioner.

1 (2) The committee shall meet in November 2017 and each November
2 thereafter to establish income and capitalization rates for agricultural
3 land and horticultural land based on information available to the
4 committee from the United States Department of Agriculture, the
5 University of Nebraska Institute of Agriculture and Natural Resources,
6 the Nebraska Investment Finance Authority, the Department of Revenue, and
7 any other sources determined necessary by the committee. The Department
8 of Revenue shall electronically publish notice of such meeting no less
9 than thirty days in advance.

10 (3) Agricultural land and horticultural land shall be valued based
11 on the agricultural-use value, reflected in a capitalized income approach
12 developed pursuant to the Agricultural Valuation Fairness Act, using
13 professionally accepted mass appraisal techniques. The assessed values of
14 agricultural land and horticultural land shall be determined on the basis
15 of the land's value in use for agricultural or horticultural purposes by
16 capitalizing the net income by a rate that reflects the agricultural-use
17 value in the ordinary course of trade.

18 (4) Gross income shall be determined by multiplying the average
19 yield for each county by the prior year average commodity price for each
20 major crop type harvested in each county.

21 (5) For irrigated cropland, dryland cropland, and grassland used for
22 haying, the average yield information shall be determined based on the
23 eight prior years published by the United States Department of
24 Agriculture for those commodities appropriate for each land capability
25 group, with the highest and lowest yields for that period excluded. The
26 average commodity price shall be based on an average of the most recent
27 eight years, excluding the highest and lowest prices of that period.

28 (6) For grassland used for grazing, the average yield shall be based
29 on the carrying capacity in terms of animal-unit months and the current
30 rental value per animal-unit month for each land capability group.
31 Carrying capacity, by land capability group, shall be based on

1 productivity estimates published by the Natural Resources Conservation
2 Service of the United States Department of Agriculture or other state or
3 federal agencies as determined by the committee. Rental values per
4 animal-unit month shall be based on an average of the most recent eight
5 years, excluding the highest and lowest values of that period.

6 (7) The gross income shall be established as a dollar-per-acre value
7 by weighting the major crop types harvested in each county by the number
8 of acres harvested in the previous year. Such crops may include
9 continuous cropland wheat, summer fallow wheat, corn for grain, dry
10 beans, sorghum for grain, sugar beets, soybeans for beans, oats, and
11 alfalfa. Additional crop information appropriate for predominant crops in
12 a county or land capability group shall also be included when available.

13 (8) Land uses such as accretion land, wasteland, orchards,
14 vineyards, nurseries, and other agricultural land uses without sufficient
15 income information available shall be valued using a sales comparison
16 approach or other professionally accepted mass appraisal technique that
17 produces an assessment at seventy-five percent of its actual value for
18 agricultural or horticultural purposes.

19 (9) Expenses shall be determined by the committee to reflect average
20 expenses associated for each land use based on information from the
21 United States Department of Agriculture, the University of Nebraska
22 Institute of Agriculture and Natural Resources, landowner surveys made
23 available to the committee, or other sources that yield reliable
24 information. The committee may also use the typical landowner share,
25 which reflects the proportion of the gross receipts received by the
26 landowner in the normal course of farm operation, and typical leasing
27 arrangements as determined from surveys conducted by the Property Tax
28 Administrator or as published by other state or federal agencies.

29 Sec. 7. The Agricultural Land Valuation Committee shall determine
30 value for each land capability group in each county by dividing the
31 income determined for each parcel under section 6 of this act by a

1 capitalization rate established by the committee. The committee shall
2 establish the capitalization rates to be applied to each class or
3 subclass of agricultural land and horticultural land within each county.
4 The committee shall ensure that the capitalization rates established
5 under this section result in an aggregate agricultural-use value for the
6 class of agricultural land and horticultural land that is seventy-five
7 percent of the actual value that the agricultural land and horticultural
8 land has for agricultural or horticultural purposes. The committee shall
9 issue a report of the values established for each land capability group
10 to each county assessor in Nebraska no later than January 1 of each year.

11 Sec. 8. (1) The county assessor shall implement the values
12 determined by the Agricultural Land Valuation Committee under section 7
13 of this act. The resulting assessed values for the class of agricultural
14 land and horticultural land shall be reported on the abstract of real
15 property pursuant to section 77-1514.

16 (2) If a county assessor, based on the facts and circumstances,
17 believes that the values for a land capability group as determined by the
18 committee under sections 6 and 7 of this act result in values that are
19 not uniform and proportionate within the class of agricultural land and
20 horticultural land, the county assessor may petition the Tax
21 Commissioner, on or before February 1, for an alternative value to be
22 applied to that land capability group. The county assessor shall show
23 that the use of the committee's income as determined under section 6 of
24 this act or capitalization rate as determined under section 7 of this act
25 results in agricultural-use values that are not uniform and
26 proportionate. The Tax Commissioner shall issue a written order to the
27 county assessor no later than March 1.

28 (3) If the Property Tax Administrator, based on the facts and
29 circumstances, believes that any agricultural-use value as implemented by
30 the county assessor does not comply with the requirements of the
31 Agricultural Valuation Fairness Act, the Property Tax Administrator may

1 petition the Tax Commissioner, on or before April 1, for an order to
2 adjust the agricultural-use value to achieve compliance with the act. The
3 Tax Commissioner shall issue a written order to the Property Tax
4 Administrator no later than May 1.

5 (4) Upon receipt of a petition by either the county assessor or the
6 Property Tax Administrator under this section, the Tax Commissioner shall
7 set a date for hearing and shall give notice thereof to the county
8 assessor or Property Tax Administrator, as applicable. The hearing shall
9 be held at least five days following the mailing of such notice. At the
10 hearing, the county assessor, the Property Tax Administrator, or the
11 legal representative of the county assessor or Property Tax Administrator
12 may appear and show cause why the class or subclass of agricultural land
13 and horticultural land in the county should or should not be adjusted. At
14 the hearing, the Tax Commissioner may receive testimony from any
15 interested person. The Tax Commissioner's order may be appealed within
16 thirty days after the date of the order to the Tax Equalization and
17 Review Commission in accordance with section 77-5013.

18 (5) If, after the implementation of the orders described in
19 subsections (2) and (3) of this section, the Tax Commissioner finds that
20 the aggregate agricultural-use value of the entire class of agricultural
21 land and horticultural land is not seventy-five percent of the aggregate
22 actual value that the agricultural land and horticultural land has for
23 agricultural or horticultural purposes, the Tax Commissioner shall issue
24 an order to each county in the state to uniformly adjust the
25 capitalization rate to comply with the requirements of section 7 of this
26 act.

27 (6) On or before June 5 of each year, the county assessor of any
28 county adjusted by an order of the Tax Commissioner shall recertify the
29 county abstract of assessment to the Property Tax Administrator. The
30 Property Tax Administrator shall audit the records of the county assessor
31 to determine whether the orders were implemented.

1 Sec. 9. The Tax Commissioner may adopt and promulgate rules and
2 regulations as necessary to carry out the Agricultural Valuation Fairness
3 Act.

4 Sec. 10. Section 19-2428, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 19-2428 (1) Whenever the governing body of a city of the first or
7 second class or village creates an improvement district as specified in
8 section 19-2427 which includes land adjacent to such city or village and
9 such adjacent land is within an agricultural use zone and is used
10 exclusively for agricultural use, the owners of record title of such
11 adjacent land may apply for a deferral from special assessments pursuant
12 to sections 19-2428 to 19-2431.

13 (2) For purposes of sections 19-2428 to 19-2431:

14 (a) Agricultural use means the use of land as described in section 3
15 of this act ~~77-1359~~, so that incidental use of the land for
16 nonagricultural or nonhorticultural purposes shall not disqualify the
17 land; and

18 (b) Agricultural use zone means designation of any land
19 predominantly for agricultural or horticultural use by any political
20 subdivision pursuant to sections 19-924 to 19-933, Chapter 14, article 4,
21 Chapter 15, article 9, Chapter 16, article 9, Chapter 17, article 10, or
22 Chapter 23, article 1. The primary objective of the agricultural use
23 zoning shall be to preserve and protect agricultural activities and the
24 potential for the agricultural, horticultural, or open use of land. Uses
25 to be allowed on such lands include primarily agricultural-related or
26 horticultural-related uses, and nonagricultural or nonhorticultural
27 industrial, commercial, or residential uses allowed on such lands shall
28 be restricted so that they do not conflict with or detract from this
29 objective.

30 Sec. 11. Section 46-294.03, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 46-294.03 For purposes of assessment pursuant to the Agricultural
2 Valuation Fairness Act ~~sections 77-1343 to 77-1363~~, neither the temporary
3 transfer or change of an appropriation nor any resulting land-use changes
4 on the land to which the appropriation was appurtenant prior to the
5 transfer or change shall cause the land to be reclassified to a lower
6 value use or the valuation of the land to be reduced, but the land may be
7 reclassified to a higher value use and its valuation may be increased if
8 a higher value use is made of the land while the temporary transfer or
9 change is in effect. Land from which an appropriation has been
10 permanently transferred shall be classified and valued for tax purposes
11 in accordance with the use of the land after the transfer.

12 Sec. 12. Section 76-710.04, Revised Statutes Cumulative Supplement,
13 2016, is amended to read:

14 76-710.04 (1) A condemner may not take property through the use of
15 eminent domain under sections 76-704 to 76-724 if the taking is primarily
16 for an economic development purpose.

17 (2) For purposes of this section, economic development purpose means
18 taking property for subsequent use by a commercial for-profit enterprise
19 or to increase tax revenue, tax base, employment, or general economic
20 conditions.

21 (3) This section does not affect the use of eminent domain for:

22 (a) Public projects or private projects that make all or a major
23 portion of the property available for use by the general public or for
24 use as a right-of-way, aqueduct, pipeline, transmission line, or similar
25 use;

26 (b) Removing harmful uses of property if such uses constitute an
27 immediate threat to public health and safety;

28 (c) Leasing property to a private person who occupies an incidental
29 part of public property or a public facility, such as a retail
30 establishment on the ground floor of a public building;

31 (d) Acquiring abandoned property;

1 (e) Clearing defective property title;

2 (f) Taking private property for use by a utility or railroad;

3 (g) Taking private property based upon a finding of blighted or
4 substandard conditions under the Community Development Law if the private
5 property is not agricultural land and ~~or~~ horticultural land as defined in
6 section 3 of this act 77-1359; and

7 (h) Taking private property for a transmission line to serve a
8 privately developed facility generating electricity using wind, solar,
9 biomass, or landfill gas. Nothing in this subdivision shall be construed
10 to grant the power of eminent domain to a private entity.

11 Sec. 13. Section 77-103.01, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 77-103.01 Class or subclass of real property means a group of
14 properties that share one or more characteristics typically common to all
15 the properties in the class or subclass, but are not typically found in
16 the properties outside the class or subclass. Class or subclass includes,
17 but is not limited to, the classifications of agricultural land and ~~or~~
18 horticultural land listed in section 5 of this act 77-1363, parcel use,
19 parcel type, location, geographic characteristics, zoning, city size,
20 parcel size, land capability group, and market characteristics
21 appropriate for the valuation of such land. A class or subclass based on
22 market characteristics shall be based on characteristics that affect the
23 actual value in a different manner than it affects the actual value of
24 properties not within the market characteristic class or subclass.

25 Sec. 14. Section 77-201, Revised Statutes Cumulative Supplement,
26 2016, is amended to read:

27 77-201 (1) Except as provided in subsections (2) and (3) ~~through (4)~~
28 of this section, all real property in this state, not expressly exempt
29 therefrom, shall be subject to taxation and shall be valued at its actual
30 value.

31 (2) Agricultural land and horticultural land as defined in section 3

1 ~~of this act 77-1359~~ shall constitute a separate and distinct class of
2 property for purposes of property taxation, shall be subject to taxation,
3 unless expressly exempt from taxation, and shall be valued at ~~seventy-~~
4 ~~five percent of its agricultural-use actual value as provided in the~~
5 Agricultural Valuation Fairness Act.

6 ~~(3) Agricultural land and horticultural land actively devoted to~~
7 ~~agricultural or horticultural purposes which has value for purposes other~~
8 ~~than agricultural or horticultural uses and which meets the~~
9 ~~qualifications for special valuation under section 77-1344 shall~~
10 ~~constitute a separate and distinct class of property for purposes of~~
11 ~~property taxation, shall be subject to taxation, and shall be valued for~~
12 ~~taxation at seventy-five percent of its special value as defined in~~
13 ~~section 77-1343.~~

14 ~~(3)~~ ~~(4)~~ Historically significant real property which meets the
15 qualifications for historic rehabilitation valuation under sections
16 77-1385 to 77-1394 shall be valued for taxation as provided in such
17 sections.

18 ~~(4)~~ ~~(5)~~ Tangible personal property, not including motor vehicles,
19 trailers, and semitrailers registered for operation on the highways of
20 this state, shall constitute a separate and distinct class of property
21 for purposes of property taxation, shall be subject to taxation, unless
22 expressly exempt from taxation, and shall be valued at its net book
23 value. Tangible personal property transferred as a gift or devise or as
24 part of a transaction which is not a purchase shall be subject to
25 taxation based upon the date the property was acquired by the previous
26 owner and at the previous owner's Nebraska adjusted basis. Tangible
27 personal property acquired as replacement property for converted property
28 shall be subject to taxation based upon the date the converted property
29 was acquired and at the Nebraska adjusted basis of the converted property
30 unless insurance proceeds are payable by reason of the conversion. For
31 purposes of this subsection, (a) converted property means tangible

1 personal property which is compulsorily or involuntarily converted as a
2 result of its destruction in whole or in part, theft, seizure,
3 requisition, or condemnation, or the threat or imminence thereof, and no
4 gain or loss is recognized for federal or state income tax purposes by
5 the holder of the property as a result of the conversion and (b)
6 replacement property means tangible personal property acquired within two
7 years after the close of the calendar year in which tangible personal
8 property was converted and which is, except for date of construction or
9 manufacture, substantially the same as the converted property.

10 Sec. 15. Section 77-1116, Revised Statutes Cumulative Supplement,
11 2016, is amended to read:

12 77-1116 (1) A qualified community development entity that seeks to
13 have an equity investment or long-term debt security designated as a
14 qualified equity investment and eligible for tax credits under the New
15 Markets Job Growth Investment Act shall apply to the Tax Commissioner.
16 There shall be no new applications for such designation filed under this
17 section after June 30, 2017 ~~December 31, 2022~~.

18 (2) The qualified community development entity shall submit an
19 application on a form that the Tax Commissioner provides that includes:

20 (a) Evidence of the entity's certification as a qualified community
21 development entity, including evidence of the service area of the entity
22 that includes this state;

23 (b) A copy of the allocation agreement executed by the entity, or
24 its controlling entity, and the Community Development Financial
25 Institutions Fund referred to in section 77-1109;

26 (c) A certificate executed by an executive officer of the entity
27 attesting that the allocation agreement remains in effect and has not
28 been revoked or canceled by the Community Development Financial
29 Institutions Fund referred to in section 77-1109;

30 (d) A description of the proposed amount, structure, and purchaser
31 of the equity investment or long-term debt security;

1 (e) Identifying information for any taxpayer eligible to utilize tax
2 credits earned as a result of the issuance of the qualified equity
3 investment;

4 (f) Information regarding the proposed use of proceeds from the
5 issuance of the qualified equity investment; and

6 (g) A nonrefundable application fee of five thousand dollars.

7 (3) Within thirty days after receipt of a completed application
8 containing the information necessary for the Tax Commissioner to certify
9 a potential qualified equity investment, including the payment of the
10 application fee, the Tax Commissioner shall grant or deny the application
11 in full or in part. If the Tax Commissioner denies any part of the
12 application, the Tax Commissioner shall inform the qualified community
13 development entity of the grounds for the denial. If the qualified
14 community development entity provides any additional information required
15 by the Tax Commissioner or otherwise completes its application within
16 fifteen days after the notice of denial, the application shall be
17 considered completed as of the original date of submission. If the
18 qualified community development entity fails to provide the information
19 or complete its application within the fifteen-day period, the
20 application remains denied and must be resubmitted in full with a new
21 submission date.

22 (4) If the application is deemed complete, the Tax Commissioner
23 shall certify the proposed equity investment or long-term debt security
24 as a qualified equity investment that is eligible for tax credits,
25 subject to the limitations contained in section 77-1115. The Tax
26 Commissioner shall provide written notice of the certification to the
27 qualified community development entity. The notice shall include the
28 names of those taxpayers who are eligible to utilize the credits and
29 their respective credit amounts. If the names of the taxpayers who are
30 eligible to utilize the credits change due to a transfer of a qualified
31 equity investment or a change in an allocation pursuant to section

1 77-1114, the qualified community development entity shall notify the Tax
2 Commissioner of such change.

3 (5) The Tax Commissioner shall certify qualified equity investments
4 in the order applications are received. Applications received on the same
5 day shall be deemed to have been received simultaneously. For
6 applications received on the same day and deemed complete, the Tax
7 Commissioner shall certify, consistent with remaining tax credit
8 capacity, qualified equity investments in proportionate percentages based
9 upon the ratio of the amount of qualified equity investment requested in
10 an application to the total amount of qualified equity investments
11 requested in all applications received on the same day.

12 (6) Once the Tax Commissioner has certified qualified equity
13 investments that, on a cumulative basis, are eligible for the maximum
14 limitation contained in section 77-1115, the Tax Commissioner may not
15 certify any more qualified equity investments for that fiscal year. If a
16 pending request cannot be fully certified, the Tax Commissioner shall
17 certify the portion that may be certified unless the qualified community
18 development entity elects to withdraw its request rather than receive
19 partial credit.

20 (7) Within thirty days after receiving notice of certification, the
21 qualified community development entity shall issue the qualified equity
22 investment and receive cash in the amount of the certified amount. The
23 qualified community development entity shall provide the Tax Commissioner
24 with evidence of the receipt of the cash investment within ten business
25 days after receipt. If the qualified community development entity does
26 not receive the cash investment and issue the qualified equity investment
27 within thirty days after receipt of the certification notice, the
28 certification shall lapse and the entity may not issue the qualified
29 equity investment without reapplying to the Tax Commissioner for
30 certification. A certification that lapses reverts back to the Tax
31 Commissioner and may be reissued only in accordance with the application

1 process outlined in this section.

2 Sec. 16. Section 77-1327, Revised Statutes Cumulative Supplement,
3 2016, is amended to read:

4 77-1327 (1) It is the intent of the Legislature that accurate and
5 comprehensive information be developed by the Property Tax Administrator
6 and made accessible to the taxing officials and property owners in order
7 to ensure the uniformity and proportionality of the assessments of real
8 property valuations in the state in accordance with law and to provide
9 the statistical and narrative reports pursuant to section 77-5027.

10 (2) All transactions of real property for which the statement
11 required in section 76-214 is filed shall be available for development of
12 a sales file by the Property Tax Administrator. All transactions with
13 stated consideration of more than one hundred dollars or upon which more
14 than two dollars and twenty-five cents in documentary stamp taxes are
15 paid shall be considered sales. All sales shall be deemed to be arm's
16 length transactions unless determined to be otherwise under
17 professionally accepted mass appraisal techniques. The Department of
18 Revenue shall not overturn a determination made by a county assessor
19 regarding the qualification of a sale unless the department reviews the
20 sale and determines through the review that the determination made by the
21 county assessor is incorrect.

22 (3) The Property Tax Administrator annually shall make and issue
23 comprehensive assessment ratio studies of the average level of
24 assessment, the degree of assessment uniformity, and the overall
25 compliance with assessment requirements for each major class of real
26 property, except agricultural land and horticultural land, that is
27 subject to the property tax in each county. The comprehensive assessment
28 ratio studies shall be developed in compliance with professionally
29 accepted mass appraisal techniques and shall employ such statistical
30 analysis as deemed appropriate by the Property Tax Administrator,
31 including measures of central tendency and dispersion. The comprehensive

1 assessment ratio studies shall be based upon the sales file as developed
2 in subsection (2) of this section and shall be used by the Property Tax
3 Administrator for the analysis of the level of value and quality of
4 assessment for purposes of section 77-5027 and by the Property Tax
5 Administrator in establishing the adjusted valuations required by section
6 79-1016. Such studies may also be used by assessing officials in
7 establishing assessed valuations.

8 ~~(4) For purposes of determining the level of value of agricultural~~
9 ~~and horticultural land subject to special valuation under sections~~
10 ~~77-1343 to 77-1347.01, the Property Tax Administrator shall annually make~~
11 ~~and issue a comprehensive study developed in compliance with~~
12 ~~professionally accepted mass appraisal techniques to establish the level~~
13 ~~of value if in his or her opinion the level of value cannot be developed~~
14 ~~through the use of the comprehensive assessment ratio studies developed~~
15 ~~in subsection (3) of this section.~~

16 (4) (5) County assessors and other taxing officials shall
17 electronically report data on the assessed valuation and other features
18 of the property assessment process for such periods and in such form and
19 content as the Property Tax Administrator shall deem appropriate. The
20 Property Tax Administrator shall so construct and maintain the system
21 used to collect and analyze the data to enable him or her to make
22 intracounty comparisons of assessed valuation, including school districts
23 and other political subdivisions, as well as intercounty comparisons of
24 assessed valuation, including school districts and other political
25 subdivisions. The Property Tax Administrator shall include analysis of
26 real property sales pursuant to land contracts and similar transfers at
27 the time of execution of the contract or similar transfer.

28 Sec. 17. Section 77-1371, Revised Statutes Cumulative Supplement,
29 2016, is amended to read:

30 77-1371 Comparable sales are recent sales of properties that are
31 similar to the property being assessed in significant physical,

1 functional, and location characteristics and in their contribution to
2 value. When using comparable sales in determining actual value of an
3 individual property under the sales comparison approach provided in
4 section 77-112, the following guidelines shall be considered in
5 determining what constitutes a comparable sale:

6 (1) Whether the sale was financed by the seller and included any
7 special financing considerations or the value of improvements;

8 (2) Whether zoning affected the sale price of the property;

9 (3) For sales of agricultural land and ~~or~~ horticultural land as
10 defined in section 3 of this act 77-1359, whether a premium was paid to
11 acquire property. A premium may be paid when proximity or tax
12 consequences cause the buyer to pay more than actual value for
13 agricultural land and ~~or~~ horticultural land;

14 (4) Whether sales or transfers made in connection with foreclosure,
15 bankruptcy, or condemnations, in lieu of foreclosure, or in consideration
16 of other legal actions should be excluded from comparable sales analysis
17 as not reflecting current market value;

18 (5) Whether sales between family members within the third degree of
19 consanguinity include considerations that fail to reflect current market
20 value;

21 (6) Whether sales to or from federal or state agencies or local
22 political subdivisions reflect current market value;

23 (7) Whether sales of undivided interests in real property or parcels
24 less than forty acres or sales conveying only a portion of the unit
25 assessed reflect current market value;

26 (8) Whether sales or transfers of property in exchange for other
27 real estate, stocks, bonds, or other personal property reflect current
28 market value;

29 (9) Whether deeds recorded for transfers of convenience, transfers
30 of title to cemetery lots, mineral rights, and rights of easement reflect
31 current market value;

1 (10) Whether sales or transfers of property involving railroads or
2 other public utility corporations reflect current market value;

3 (11) Whether sales of property substantially improved subsequent to
4 assessment and prior to sale should be adjusted to reflect current market
5 value or eliminated from such analysis; and

6 ~~(12) For agricultural land or horticultural land as defined in~~
7 ~~section 77-1359 which is or has been receiving the special valuation~~
8 ~~pursuant to sections 77-1343 to 77-1347.01, whether the sale price~~
9 ~~reflects a value which the land has for purposes or uses other than as~~
10 ~~agricultural land or horticultural land and therefor does not reflect~~
11 ~~current market value of other agricultural land or horticultural land;~~

12 (12) ~~(13)~~ Whether sales or transfers of property are in a similar
13 market area and have similar characteristics to the property being
14 assessed. ~~;~~ and

15 ~~(14) For agricultural land and horticultural land as defined in~~
16 ~~section 77-1359 which is within a class or subclass of irrigated cropland~~
17 ~~pursuant to section 77-1363, whether the difference in well capacity or~~
18 ~~in water availability due to federal, state, or local regulatory actions~~
19 ~~or limited source affected the sale price of the property. If data on~~
20 ~~current well capacity or current water availability is not available from~~
21 ~~a federal, state, or local government entity, this subdivision shall not~~
22 ~~be used to determine what constitutes a comparable sale.~~

23 The Property Tax Administrator may issue guidelines for assessing
24 officials for use in determining what constitutes a comparable sale.
25 Guidelines shall take into account the factors listed in this section and
26 other relevant factors as prescribed by the Property Tax Administrator.

27 Sec. 18. Section 77-1502, Revised Statutes Cumulative Supplement,
28 2016, is amended to read:

29 77-1502 (1) The county board of equalization shall meet for the
30 purpose of reviewing and deciding written protests filed pursuant to this
31 section beginning on or after June 1 and ending on or before July 25 of

1 each year. Protests regarding real property shall be signed and filed
2 after the county assessor's completion of the real property assessment
3 roll required by section 77-1315 and on or before June 30. For protests
4 of real property, a protest shall be filed for each parcel. Protests
5 regarding taxable tangible personal property returns filed pursuant to
6 section 77-1229 from January 1 through May 1 shall be signed and filed on
7 or before June 30. The county board in a county with a population of more
8 than one hundred thousand inhabitants based upon the most recent federal
9 decennial census may adopt a resolution to extend the deadline for
10 hearing protests from July 25 to August 10. The resolution must be
11 adopted before July 25 and it will affect the time for hearing protests
12 for that year only. By adopting such resolution, such county waives any
13 right to petition the Tax Equalization and Review Commission for
14 adjustment of a class or subclass of real property under section
15 77-1504.01 for that year.

16 (2) Each protest shall be signed and filed with the county clerk of
17 the county where the property is assessed. The protest shall contain or
18 have attached a statement of the reason or reasons why the requested
19 change should be made and a description of the property to which the
20 protest applies. If the property is real property, a description adequate
21 to identify each parcel shall be provided. If the property is tangible
22 personal property, a physical description of the property under protest
23 shall be provided. If the protest does not contain or have attached the
24 statement of the reason or reasons for the protest or the applicable
25 description of the property, the protest shall be dismissed by the county
26 board of equalization.

27 (3) Beginning January 1, 2014, in counties with a population of at
28 least one hundred fifty thousand inhabitants according to the most recent
29 federal decennial census, for a protest regarding real property, each
30 protester shall be afforded the opportunity to meet in person with the
31 county board of equalization or a referee appointed under section

1 77-1502.01 to provide information relevant to the protested property
2 value.

3 (4) No hearing of the county board of equalization on a protest
4 filed under this section shall be held before a single commissioner or
5 supervisor.

6 (5) For agricultural land and horticultural land, the county board
7 of equalization may correct errors in those characteristics affecting the
8 income-producing capability of such land or may correct the resulting
9 value of such land. Protests of such characteristics or values shall be
10 made on a form prescribed by the Tax Commissioner.

11 (6) ~~(5)~~ The county clerk or county assessor shall prepare a separate
12 report on each protest. The report shall include (a) a description
13 adequate to identify the real property or a physical description of the
14 tangible personal property to which the protest applies, (b) any
15 recommendation of the county assessor for action on the protest, (c) if a
16 referee is used, the recommendation of the referee, (d) the date the
17 county board of equalization heard the protest, (e) the decision made by
18 the county board of equalization, (f) the date of the decision, and (g)
19 the date notice of the decision was mailed to the protester. The report
20 shall contain, or have attached to it, a statement, signed by the
21 chairperson of the county board of equalization, describing the basis
22 upon which the board's decision was made. The report shall have attached
23 to it a copy of that portion of the property record file which
24 substantiates calculation of the protested value unless the county
25 assessor certifies to the county board of equalization that a copy is
26 maintained in either electronic or paper form in his or her office. One
27 copy of the report, if prepared by the county clerk, shall be given to
28 the county assessor on or before August 2. The county assessor shall have
29 no authority to make a change in the assessment rolls until there is in
30 his or her possession a report which has been completed in the manner
31 specified in this section. If the county assessor deems a report

1 submitted by the county clerk incomplete, the county assessor shall
2 return the same to the county clerk for proper preparation.

3 (7) ~~(6)~~ On or before August 2, or on or before August 18 in a county
4 that has adopted a resolution to extend the deadline for hearing
5 protests, the county clerk shall mail to the protester written notice of
6 the board's decision. The notice shall contain a statement advising the
7 protester that a report of the board's decision is available at the
8 county clerk's or county assessor's office, whichever is appropriate.

9 Sec. 19. Section 77-1507.01, Reissue Revised Statutes of Nebraska,
10 is amended to read:

11 77-1507.01 Any person otherwise having a right to appeal may
12 petition the Tax Equalization and Review Commission in accordance with
13 section 77-5013, on or before December 31 of each year, to determine the
14 actual value or agricultural-use special ~~special~~ value of real property for that
15 year if a failure to give notice prevented timely filing of a protest or
16 appeal provided for in sections 77-1501 to 77-1510.

17 Sec. 20. Section 77-2715.09, Reissue Revised Statutes of Nebraska,
18 is amended to read:

19 77-2715.09 (1) Subject to subsection (4) of this section, every
20 ~~Every~~ resident individual may elect under this section to subtract from
21 federal adjusted gross income, or for trusts qualifying under subdivision
22 (2)(c) of this section from taxable income, the extraordinary dividends
23 paid on and the capital gain from the sale or exchange of capital stock
24 of a corporation acquired by the individual (a) on account of employment
25 by such corporation or (b) while employed by such corporation.

26 (2)(a) Each individual shall be entitled to one election under
27 subsection (1) of this section during his or her lifetime for the capital
28 stock of one corporation.

29 (b) The election shall apply to subsequent extraordinary dividends
30 paid and sales and exchanges in any taxable year if the dividend is
31 received on, or the sale or exchange is of, capital stock in the same

1 corporation and such capital stock was acquired as provided in subsection
2 (1) of this section.

3 (c) After the individual makes an election, such election shall
4 apply to extraordinary dividends paid on, and the sale or exchange of,
5 capital stock of the corporation transferred by inter vivos gift from the
6 individual to his or her spouse or issue or a trust for the benefit of
7 the individual's spouse or issue if such capital stock was acquired as
8 provided in subsection (1) of this section. This subdivision shall apply,
9 in the case of the spouse, only if the spouse was married to such
10 individual on the date of the extraordinary dividend or sale or exchange
11 or the date of death of the individual.

12 (d) If the individual dies without making an election, the surviving
13 spouse or, if there is no surviving spouse, the oldest surviving issue
14 may make the election for capital stock that would have qualified under
15 subdivision (c) of this subsection.

16 (3) An election under subsection (1) of this section shall be made
17 by including a written statement with the taxpayer's Nebraska income tax
18 return or an amended return for the taxable year for which the election
19 is made. The written statement shall identify the corporation that issued
20 the stock and the grounds for the election under this section and shall
21 state that the taxpayer elects to have this section apply.

22 (4) The subtractions for extraordinary dividends and capital gains
23 authorized in this section shall not be allowed for taxable years
24 beginning or deemed to begin on or after January 1, 2017, under the
25 Internal Revenue Code of 1986, as amended.

26 Sec. 21. Section 77-2716, Revised Statutes Cumulative Supplement,
27 2016, is amended to read:

28 77-2716 (1) The following adjustments to federal adjusted gross
29 income or, for corporations and fiduciaries, federal taxable income shall
30 be made for interest or dividends received:

31 (a)(i) There shall be subtracted interest or dividends received by

1 the owner of obligations of the United States and its territories and
2 possessions or of any authority, commission, or instrumentality of the
3 United States to the extent includable in gross income for federal income
4 tax purposes but exempt from state income taxes under the laws of the
5 United States; and

6 (ii) There shall be subtracted interest received by the owner of
7 obligations of the State of Nebraska or its political subdivisions or
8 authorities which are Build America Bonds to the extent includable in
9 gross income for federal income tax purposes;

10 (b) There shall be subtracted that portion of the total dividends
11 and other income received from a regulated investment company which is
12 attributable to obligations described in subdivision (a) of this
13 subsection as reported to the recipient by the regulated investment
14 company;

15 (c) There shall be added interest or dividends received by the owner
16 of obligations of the District of Columbia, other states of the United
17 States, or their political subdivisions, authorities, commissions, or
18 instrumentalities to the extent excluded in the computation of gross
19 income for federal income tax purposes except that such interest or
20 dividends shall not be added if received by a corporation which is a
21 regulated investment company;

22 (d) There shall be added that portion of the total dividends and
23 other income received from a regulated investment company which is
24 attributable to obligations described in subdivision (c) of this
25 subsection and excluded for federal income tax purposes as reported to
26 the recipient by the regulated investment company; and

27 (e)(i) Any amount subtracted under this subsection shall be reduced
28 by any interest on indebtedness incurred to carry the obligations or
29 securities described in this subsection or the investment in the
30 regulated investment company and by any expenses incurred in the
31 production of interest or dividend income described in this subsection to

1 the extent that such expenses, including amortizable bond premiums, are
2 deductible in determining federal taxable income.

3 (ii) Any amount added under this subsection shall be reduced by any
4 expenses incurred in the production of such income to the extent
5 disallowed in the computation of federal taxable income.

6 (2) There shall be allowed a net operating loss derived from or
7 connected with Nebraska sources computed under rules and regulations
8 adopted and promulgated by the Tax Commissioner consistent, to the extent
9 possible under the Nebraska Revenue Act of 1967, with the laws of the
10 United States. For a resident individual, estate, or trust, the net
11 operating loss computed on the federal income tax return shall be
12 adjusted by the modifications contained in this section. For a
13 nonresident individual, estate, or trust or for a partial-year resident
14 individual, the net operating loss computed on the federal return shall
15 be adjusted by the modifications contained in this section and any
16 carryovers or carrybacks shall be limited to the portion of the loss
17 derived from or connected with Nebraska sources.

18 (3) There shall be subtracted from federal adjusted gross income for
19 all taxable years beginning on or after January 1, 1987, the amount of
20 any state income tax refund to the extent such refund was deducted under
21 the Internal Revenue Code, was not allowed in the computation of the tax
22 due under the Nebraska Revenue Act of 1967, and is included in federal
23 adjusted gross income.

24 (4) For taxable years beginning or deemed to begin before January 1,
25 2017, under the Internal Revenue Code of 1986, as amended, federal
26 Federal adjusted gross income, or, for a fiduciary, federal taxable
27 income shall be modified to exclude the portion of the income or loss
28 received from a small business corporation with an election in effect
29 under subchapter S of the Internal Revenue Code or from a limited
30 liability company organized pursuant to the Nebraska Uniform Limited
31 Liability Company Act that is not derived from or connected with Nebraska

1 sources as determined in section 77-2734.01.

2 (5) There shall be subtracted from federal adjusted gross income or,
3 for corporations and fiduciaries, federal taxable income dividends
4 received or deemed to be received from corporations which are not subject
5 to the Internal Revenue Code.

6 (6) There shall be subtracted from federal taxable income a portion
7 of the income earned by a corporation subject to the Internal Revenue
8 Code of 1986 that is actually taxed by a foreign country or one of its
9 political subdivisions at a rate in excess of the maximum federal tax
10 rate for corporations. The taxpayer may make the computation for each
11 foreign country or for groups of foreign countries. The portion of the
12 taxes that may be deducted shall be computed in the following manner:

13 (a) The amount of federal taxable income from operations within a
14 foreign taxing jurisdiction shall be reduced by the amount of taxes
15 actually paid to the foreign jurisdiction that are not deductible solely
16 because the foreign tax credit was elected on the federal income tax
17 return;

18 (b) The amount of after-tax income shall be divided by one minus the
19 maximum tax rate for corporations in the Internal Revenue Code; and

20 (c) The result of the calculation in subdivision (b) of this
21 subsection shall be subtracted from the amount of federal taxable income
22 used in subdivision (a) of this subsection. The result of such
23 calculation, if greater than zero, shall be subtracted from federal
24 taxable income.

25 (7) Federal adjusted gross income shall be modified to exclude any
26 amount repaid by the taxpayer for which a reduction in federal tax is
27 allowed under section 1341(a)(5) of the Internal Revenue Code.

28 (8)(a) Federal adjusted gross income or, for corporations and
29 fiduciaries, federal taxable income shall be reduced, to the extent
30 included, by income from interest, earnings, and state contributions
31 received from the Nebraska educational savings plan trust created in

1 sections 85-1801 to 85-1814 and any account established under the
2 achieving a better life experience program as provided in sections
3 77-1401 to 77-1409.

4 (b) Federal adjusted gross income or, for corporations and
5 fiduciaries, federal taxable income shall be reduced by any contributions
6 as a participant in the Nebraska educational savings plan trust or
7 contributions to an account established under the achieving a better life
8 experience program made for the benefit of a beneficiary as provided in
9 sections 77-1401 to 77-1409, to the extent not deducted for federal
10 income tax purposes, but not to exceed five thousand dollars per married
11 filing separate return or ten thousand dollars for any other return. With
12 respect to a qualified rollover within the meaning of section 529 of the
13 Internal Revenue Code from another state's plan, any interest, earnings,
14 and state contributions received from the other state's educational
15 savings plan which is qualified under section 529 of the code shall
16 qualify for the reduction provided in this subdivision. For contributions
17 by a custodian of a custodial account including rollovers from another
18 custodial account, the reduction shall only apply to funds added to the
19 custodial account after January 1, 2014.

20 (c) Federal adjusted gross income or, for corporations and
21 fiduciaries, federal taxable income shall be increased by:

22 (i) The amount resulting from the cancellation of a participation
23 agreement refunded to the taxpayer as a participant in the Nebraska
24 educational savings plan trust to the extent previously deducted under
25 subdivision (8)(b) of this section; and

26 (ii) The amount of any withdrawals by the owner of an account
27 established under the achieving a better life experience program as
28 provided in sections 77-1401 to 77-1409 for nonqualified expenses to the
29 extent previously deducted under subdivision (8)(b) of this section.

30 (9)(a) For income tax returns filed after September 10, 2001, for
31 taxable years beginning or deemed to begin before January 1, 2006, under

1 the Internal Revenue Code of 1986, as amended, federal adjusted gross
2 income or, for corporations and fiduciaries, federal taxable income shall
3 be increased by eighty-five percent of any amount of any federal bonus
4 depreciation received under the federal Job Creation and Worker
5 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of 2003,
6 under section 168(k) or section 1400L of the Internal Revenue Code of
7 1986, as amended, for assets placed in service after September 10, 2001,
8 and before December 31, 2005.

9 (b) For a partnership, limited liability company, cooperative,
10 including any cooperative exempt from income taxes under section 521 of
11 the Internal Revenue Code of 1986, as amended, limited cooperative
12 association, subchapter S corporation, or joint venture, the increase
13 shall be distributed to the partners, members, shareholders, patrons, or
14 beneficiaries in the same manner as income is distributed for use against
15 their income tax liabilities.

16 (c) For a corporation with a unitary business having activity both
17 inside and outside the state, the increase shall be apportioned to
18 Nebraska in the same manner as income is apportioned to the state by
19 section 77-2734.05.

20 (d) The amount of bonus depreciation added to federal adjusted gross
21 income or, for corporations and fiduciaries, federal taxable income by
22 this subsection shall be subtracted in a later taxable year. Twenty
23 percent of the total amount of bonus depreciation added back by this
24 subsection for tax years beginning or deemed to begin before January 1,
25 2003, under the Internal Revenue Code of 1986, as amended, may be
26 subtracted in the first taxable year beginning or deemed to begin on or
27 after January 1, 2005, under the Internal Revenue Code of 1986, as
28 amended, and twenty percent in each of the next four following taxable
29 years. Twenty percent of the total amount of bonus depreciation added
30 back by this subsection for tax years beginning or deemed to begin on or
31 after January 1, 2003, may be subtracted in the first taxable year

1 beginning or deemed to begin on or after January 1, 2006, under the
2 Internal Revenue Code of 1986, as amended, and twenty percent in each of
3 the next four following taxable years.

4 (10) For taxable years beginning or deemed to begin on or after
5 January 1, 2003, and before January 1, 2006, under the Internal Revenue
6 Code of 1986, as amended, federal adjusted gross income or, for
7 corporations and fiduciaries, federal taxable income shall be increased
8 by the amount of any capital investment that is expensed under section
9 179 of the Internal Revenue Code of 1986, as amended, that is in excess
10 of twenty-five thousand dollars that is allowed under the federal Jobs
11 and Growth Tax Act of 2003. Twenty percent of the total amount of
12 expensing added back by this subsection for tax years beginning or deemed
13 to begin on or after January 1, 2003, may be subtracted in the first
14 taxable year beginning or deemed to begin on or after January 1, 2006,
15 under the Internal Revenue Code of 1986, as amended, and twenty percent
16 in each of the next four following tax years.

17 (11)(a) For taxable years beginning or deemed to begin before
18 January 1, 2018, under the Internal Revenue Code of 1986, as amended,
19 federal adjusted gross income shall be reduced by contributions, up to
20 two thousand dollars per married filing jointly return or one thousand
21 dollars for any other return, and any investment earnings made as a
22 participant in the Nebraska long-term care savings plan under the Long-
23 Term Care Savings Plan Act, to the extent not deducted for federal income
24 tax purposes.

25 (b) For taxable years beginning or deemed to begin before January 1,
26 2018, under the Internal Revenue Code of 1986, as amended, federal
27 adjusted gross income shall be increased by the withdrawals made as a
28 participant in the Nebraska long-term care savings plan under the act by
29 a person who is not a qualified individual or for any reason other than
30 transfer of funds to a spouse, long-term care expenses, long-term care
31 insurance premiums, or death of the participant, including withdrawals

1 made by reason of cancellation of the participation agreement, to the
2 extent previously deducted as a contribution or as investment earnings.

3 (12) There shall be added to federal adjusted gross income for
4 individuals, estates, and trusts any amount taken as a credit for
5 franchise tax paid by a financial institution under sections 77-3801 to
6 77-3807 as allowed by subsection (5) of section 77-2715.07.

7 (13) For taxable years beginning or deemed to begin on or after
8 January 1, 2015, under the Internal Revenue Code of 1986, as amended,
9 federal adjusted gross income shall be reduced by the amount received as
10 benefits under the federal Social Security Act which are included in the
11 federal adjusted gross income if:

12 (a) For taxpayers filing a married filing joint return, federal
13 adjusted gross income is fifty-eight thousand dollars or less; or

14 (b) For taxpayers filing any other return, federal adjusted gross
15 income is forty-three thousand dollars or less.

16 (14) For taxable years beginning or deemed to begin on or after
17 January 1, 2015, under the Internal Revenue Code of 1986, as amended, an
18 individual may make a one-time election within two calendar years after
19 the date of his or her retirement from the military to exclude income
20 received as a military retirement benefit by the individual to the extent
21 included in federal adjusted gross income and as provided in this
22 subsection. The individual may elect to exclude forty percent of his or
23 her military retirement benefit income for seven consecutive taxable
24 years beginning with the year in which the election is made or may elect
25 to exclude fifteen percent of his or her military retirement benefit
26 income for all taxable years beginning with the year in which he or she
27 turns sixty-seven years of age. For purposes of this subsection, military
28 retirement benefit means retirement benefits that are periodic payments
29 attributable to service in the uniformed services of the United States
30 for personal services performed by an individual prior to his or her
31 retirement.

1 Sec. 22. Section 77-2734.01, Revised Statutes Cumulative Supplement,
2 2016, is amended to read:

3 77-2734.01 (1)(a) For taxable years beginning or deemed to begin
4 before January 1, 2017, under the Internal Revenue Code of 1986, as
5 amended, residents ~~(1) Residents~~ of Nebraska who are shareholders of a
6 small business corporation having an election in effect under subchapter
7 S of the Internal Revenue Code or who are members of a limited liability
8 company organized pursuant to the Nebraska Uniform Limited Liability
9 Company Act shall include in their Nebraska taxable income, to the extent
10 includable in federal gross income, their proportionate share of such
11 corporation's or limited liability company's federal income adjusted
12 pursuant to this section. Income or loss from such corporation or limited
13 liability company conducting a business, trade, profession, or occupation
14 shall be included in the Nebraska taxable income of a shareholder or
15 member who is a resident of this state to the extent of such
16 shareholder's or member's proportionate share of the net income or loss
17 from the conduct of such business, trade, profession, or occupation
18 within this state, determined under subsection (2) of this section.

19 (b) For taxable years beginning or deemed to begin on or after
20 January 1, 2017, under the Internal Revenue Code of 1986, as amended,
21 residents of Nebraska who are shareholders of a small business
22 corporation having an election in effect under subchapter S of the
23 Internal Revenue Code or who are members of a limited liability company
24 organized pursuant to the Nebraska Uniform Limited Liability Company Act
25 shall include in their Nebraska taxable income, to the extent includable
26 in federal gross income, their proportionate share of such corporation's
27 or limited liability company's federal income without any adjustments
28 pursuant to this section.

29 (c) For all taxable years, a A resident of Nebraska shall include in
30 Nebraska taxable income fair compensation for services rendered to such
31 corporation or limited liability company. Compensation actually paid

1 shall be presumed to be fair unless it is apparent to the Tax
2 Commissioner that such compensation is materially different from fair
3 value for the services rendered or has been manipulated for tax avoidance
4 purposes.

5 (2) The income of any small business corporation having an election
6 in effect under subchapter S of the Internal Revenue Code or limited
7 liability company organized pursuant to the Nebraska Uniform Limited
8 Liability Company Act that is derived from or connected with Nebraska
9 sources shall be determined in the following manner:

10 (a) If the small business corporation is a member of a unitary
11 group, the small business corporation shall be deemed to be doing
12 business within this state if any part of its income is derived from
13 transactions with other members of the unitary group doing business
14 within this state, and such corporation shall apportion its income by
15 using the apportionment factor determined for the entire unitary group,
16 including the small business corporation, under sections 77-2734.05 to
17 77-2734.15;

18 (b) If the small business corporation or limited liability company
19 is not a member of a unitary group and is subject to tax in another
20 state, it shall apportion its income under sections 77-2734.05 to
21 77-2734.15; and

22 (c) If the small business corporation or limited liability company
23 is not subject to tax in another state, all of its income is derived from
24 or connected with Nebraska sources.

25 (3) Nonresidents of Nebraska who are shareholders of such
26 corporations or members of such limited liability companies shall file a
27 Nebraska income tax return and shall include in Nebraska adjusted gross
28 income their proportionate share of the corporation's or limited
29 liability company's Nebraska income as determined under subsection (2) of
30 this section.

31 (4) The nonresident shareholder or member shall execute and forward

1 to the corporation or limited liability company before the filing of the
2 corporation's or limited liability company's return an agreement which
3 states he or she will file a Nebraska income tax return and pay the tax
4 on the income derived from or connected with sources in this state, and
5 such agreement shall be attached to the corporation's or limited
6 liability company's Nebraska return for such taxable year.

7 (5) For taxable years beginning or deemed to begin before January 1,
8 2013, in the absence of the nonresident shareholder's or member's
9 executed agreement being attached to the Nebraska return, the corporation
10 or limited liability company shall remit with the return an amount equal
11 to the highest individual income tax rate determined under section
12 77-2715.02 multiplied by the nonresident shareholder's or member's share
13 of the corporation's or limited liability company's income which was
14 derived from or attributable to this state. For taxable years beginning
15 or deemed to begin on or after January 1, 2013, in the absence of the
16 nonresident shareholder's or member's executed agreement being attached
17 to the Nebraska return, the corporation or limited liability company
18 shall remit with the return an amount equal to the highest individual
19 income tax rate determined under section 77-2715.03 multiplied by the
20 nonresident shareholder's or member's share of the corporation's or
21 limited liability company's income which was derived from or attributable
22 to this state. The amount remitted shall be allowed as a credit against
23 the Nebraska income tax liability of the shareholder or member.

24 (6) The Tax Commissioner may allow a nonresident individual
25 shareholder or member to not file a Nebraska income tax return if the
26 nonresident individual shareholder's or member's only source of Nebraska
27 income was his or her share of the small business corporation's or
28 limited liability company's income which was derived from or attributable
29 to sources within this state, the nonresident did not file an agreement
30 to file a Nebraska income tax return, and the small business corporation
31 or limited liability company has remitted the amount required by

1 subsection (5) of this section on behalf of such nonresident individual
2 shareholder or member. The amount remitted shall be retained in
3 satisfaction of the Nebraska income tax liability of the nonresident
4 individual shareholder or member.

5 (7) A small business corporation or limited liability company return
6 shall be filed only if one or more of the shareholders of the corporation
7 or members of the limited liability company are not residents of the
8 State of Nebraska or, for taxable years beginning or deemed to begin
9 before January 1, 2017, if such corporation or limited liability company
10 has income derived from sources outside this state.

11 (8) For purposes of this section, any shareholder or member of the
12 corporation or limited liability company that is a grantor trust of a
13 nonresident shall be disregarded and this section shall apply as though
14 the nonresident grantor was the shareholder or member.

15 Sec. 23. Section 77-2912, Revised Statutes Cumulative Supplement,
16 2016, is amended to read:

17 77-2912 There shall be no new applications filed under the Nebraska
18 Job Creation and Mainstreet Revitalization Act after June 30, 2017
19 ~~December 31, 2022~~. All applications and all credits pending or approved
20 before such date shall continue in full force and effect, except that no
21 credits shall be allocated under section 77-2905, issued under section
22 77-2906, or used on any tax return or similar filing after December 31,
23 2027.

24 Sec. 24. Section 77-4212, Revised Statutes Cumulative Supplement,
25 2016, is amended to read:

26 77-4212 (1) For tax year 2007, the amount of relief granted under
27 the Property Tax Credit Act shall be one hundred five million dollars.
28 For tax year 2008, the amount of relief granted under the act shall be
29 one hundred fifteen million dollars. It is the intent of the Legislature
30 to fund the Property Tax Credit Act for tax years after tax year 2008
31 using available revenue. For tax year 2017, the amount of relief granted

1 under the act shall be two hundred twenty-four million dollars. The
2 relief shall be in the form of a property tax credit which appears on the
3 property tax statement.

4 (2)(a) For tax years prior to tax year 2017, to determine the amount
5 of the property tax credit, the county treasurer shall multiply the
6 amount disbursed to the county under subdivision (4)(a) of this section
7 by the ratio of the real property valuation of the parcel to the total
8 real property valuation in the county. The amount determined shall be the
9 property tax credit for the property.

10 (b) Beginning with tax year 2017, to determine the amount of the
11 property tax credit, the county treasurer shall multiply the amount
12 disbursed to the county under subdivision (4)(b) of this section by the
13 ratio of the credit allocation valuation of the parcel to the total
14 credit allocation valuation in the county. The amount determined shall be
15 the property tax credit for the property.

16 (3) If the real property owner qualifies for a homestead exemption
17 under sections 77-3501 to 77-3529, the owner shall also be qualified for
18 the relief provided in the act to the extent of any remaining liability
19 after calculation of the relief provided by the homestead exemption. If
20 the credit results in a property tax liability on the homestead that is
21 less than zero, the amount of the credit which cannot be used by the
22 taxpayer shall be returned to the State Treasurer by July 1 of the year
23 the amount disbursed to the county was disbursed. The State Treasurer
24 shall immediately credit any funds returned under this section to the
25 Property Tax Credit Cash Fund.

26 (4)(a) For tax years prior to tax year 2017, the amount disbursed to
27 each county shall be equal to the amount available for disbursement
28 determined under subsection (1) of this section multiplied by the ratio
29 of the real property valuation in the county to the real property
30 valuation in the state. By September 15, the Property Tax Administrator
31 shall determine the amount to be disbursed under this subdivision to each

1 county and certify such amounts to the State Treasurer and to each
2 county. The disbursements to the counties shall occur in two equal
3 payments, the first on or before January 31 and the second on or before
4 April 1. After retaining one percent of the receipts for costs, the
5 county treasurer shall allocate the remaining receipts to each taxing
6 unit levying taxes on taxable property in the tax district in which the
7 real property is located in the same proportion that the levy of such
8 taxing unit bears to the total levy on taxable property of all the taxing
9 units in the tax district in which the real property is located.

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

23 (5) For purposes of this section, credit allocation valuation means
24 the taxable value for all real property except agricultural land and
25 horticultural land, and one hundred twenty percent of taxable value for
26 agricultural land and horticultural land ~~that is not subject to special~~
27 ~~valuation, and one hundred twenty percent of taxable value for~~
28 ~~agricultural land and horticultural land that is subject to special~~
29 ~~valuation.~~

30 (6) The State Treasurer shall transfer from the General Fund to the
31 Property Tax Credit Cash Fund one hundred five million dollars by August

1 1, 2007, and one hundred fifteen million dollars by August 1, 2008.

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

4 Sec. 25. Section 77-5007, Revised Statutes Cumulative Supplement,
5 2016, is amended to read:

6 77-5007 The commission has the power and duty to hear and determine
7 appeals of:

8 (1) Decisions of any county board of equalization equalizing the
9 value of individual tracts, lots, or parcels of real property so that all
10 real property is assessed uniformly and proportionately;

11 (2) Decisions of any county board of equalization granting or
12 denying tax-exempt status for real or personal property or an exemption
13 from motor vehicle taxes and fees;

14 (3) Decisions of the Tax Commissioner determining the taxable
15 property of a railroad company, car company, public service entity, or
16 air carrier within the state;

17 (4) Decisions of the Tax Commissioner determining adjusted valuation
18 pursuant to section 79-1016;

19 (5) Decisions of any county board of equalization on the valuation
20 of personal property or any penalties imposed under sections 77-1233.04
21 and 77-1233.06;

22 (6) Decisions of any county board of equalization on claims that a
23 levy is or is not for an unlawful or unnecessary purpose or in excess of
24 the requirements of the county;

25 (7) Decisions of any county board of equalization granting or
26 rejecting an application for a homestead exemption;

27 (8) Decisions of the Department of Motor Vehicles determining the
28 taxable value of motor vehicles pursuant to section 60-3,188;

29 (9) Decisions of the Tax Commissioner made under section 77-1330;

30 (10) Any other decision of any county board of equalization;

31 (11) Any other decision of the Tax Commissioner regarding property

1 valuation, exemption, or taxation;

2 (12) Decisions of the Tax Commissioner pursuant to section 77-3520;

3 (13) Final decisions of a county board of equalization appealed by
4 the Tax Commissioner or Property Tax Administrator pursuant to section
5 77-701;

6 (14) Determinations of the Rent-Restricted Housing Projects
7 Valuation Committee regarding the capitalization rate to be used to value
8 rent-restricted housing projects pursuant to section 77-1333 or the
9 requirement under such section that an income-approach calculation be
10 used by county assessors to value rent-restricted housing projects;

11 (15) The requirement under section 77-1314 that the income approach,
12 including the use of a discounted cash-flow analysis, be used by county
13 assessors; ~~and~~

14 (16) Decisions of the Tax Commissioner pursuant to section 8 of this
15 act; and

16 (17) ~~(16)~~ Any other decision, determination, action, or order from
17 which an appeal to the commission is authorized.

18 The commission has the power and duty to hear and grant or deny
19 relief on petitions.

20 Sec. 26. Section 77-5022, Revised Statutes Cumulative Supplement,
21 2016, is amended to read:

22 77-5022 The commission shall annually equalize the assessed value ~~or~~
23 ~~special value~~ of all residential and commercial real property as
24 submitted by the county assessors on the abstracts of assessments and
25 equalize the values of real property that is valued by the state. The
26 commission shall have the power to recess from time to time until the
27 equalization process is complete. Meetings held pursuant to this section
28 may be held by means of videoconference or telephone conference.

29 Sec. 27. Section 77-5023, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 77-5023 (1) Pursuant to section 77-5022, the commission shall have

1 the power to increase or decrease the value of a class or subclass of
2 residential or commercial real property in any county or taxing authority
3 or of real property valued by the state so that all classes or subclasses
4 of real property in all counties fall within an acceptable range.

5 (2) An acceptable range is the percentage of variation from a
6 standard for valuation as measured by an established indicator of central
7 tendency of assessment. ~~The acceptable range~~ Acceptable ranges are: (a)
8 ~~For agricultural land and horticultural land as defined in section~~
9 ~~77-1359, sixty-nine to seventy-five percent of actual value;~~ (b) for
10 ~~lands receiving special valuation, sixty-nine to seventy-five percent of~~
11 ~~special valuation as defined in section 77-1343; and (c) for all~~
12 residential and commercial ~~other~~ real property, is ninety-two to one
13 hundred percent of actual value.

14 (3) Any increase or decrease shall cause the level of value
15 determined by the commission to be at the midpoint of the ~~applicable~~
16 acceptable range.

17 (4) Any decrease or increase to a subclass of property shall also
18 cause the level of value determined by the commission for the class from
19 which the subclass is drawn to be within the ~~applicable~~ acceptable range.

20 (5) Whether or not the level of value determined by the commission
21 falls within the ~~an~~ acceptable range or at the midpoint of the ~~an~~
22 acceptable range may be determined to a reasonable degree of certainty
23 relying upon generally accepted mass appraisal techniques.

24 Sec. 28. Section 79-1016, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 79-1016 (1) On or before August 25, the county assessor shall
27 certify to the Property Tax Administrator the total taxable value by
28 school district in the county for the current assessment year on forms
29 prescribed by the Tax Commissioner. The county assessor may amend the
30 filing for changes made to the taxable valuation of the school district
31 in the county if corrections or errors on the original certification are

1 discovered. Amendments shall be certified to the Property Tax
2 Administrator on or before September 30.

3 (2) On or before October 10, the Property Tax Administrator shall
4 compute and certify to the State Department of Education the adjusted
5 valuation for the current assessment year for each class of property in
6 each school district and each local system. The adjusted valuation of
7 property for each school district and each local system, for purposes of
8 determining state aid pursuant to the Tax Equity and Educational
9 Opportunities Support Act, shall reflect as nearly as possible state aid
10 value as defined in subsection (3) of this section. The Property Tax
11 Administrator shall notify each school district and each local system of
12 its adjusted valuation for the current assessment year by class of
13 property on or before October 10. Establishment of the adjusted valuation
14 shall be based on the taxable value certified by the county assessor for
15 each school district in the county adjusted by the determination of the
16 level of value for each school district from an analysis of the
17 comprehensive assessment ratio study or other studies developed by the
18 Property Tax Administrator, in compliance with professionally accepted
19 mass appraisal techniques, as required by section 77-1327. The Tax
20 Commissioner shall adopt and promulgate rules and regulations setting
21 forth standards for the determination of level of value for state aid
22 purposes.

23 (3) For purposes of this section, state aid value means:

24 (a) For real property other than agricultural land and horticultural
25 land, ninety-six percent of actual value;

26 (b) For agricultural land and horticultural land, the agricultural-
27 use seventy-two percent of actual value as provided in the Agricultural
28 Valuation Fairness Act sections 77-1359 to 77-1363. For agricultural and
29 horticultural land that receives special valuation pursuant to section
30 77-1344, seventy-two percent of special valuation as defined in section
31 77-1343; and

1 (c) For personal property, the net book value as defined in section
2 77-120.

3 (4) On or before November 10, any local system may file with the Tax
4 Commissioner written objections to the adjusted valuations prepared by
5 the Property Tax Administrator, stating the reasons why such adjusted
6 valuations are not the valuations required by subsection (3) of this
7 section. The Tax Commissioner shall fix a time for a hearing. Either
8 party shall be permitted to introduce any evidence in reference thereto.
9 On or before January 1, the Tax Commissioner shall enter a written order
10 modifying or declining to modify, in whole or in part, the adjusted
11 valuations and shall certify the order to the State Department of
12 Education. Modification by the Tax Commissioner shall be based upon the
13 evidence introduced at hearing and shall not be limited to the
14 modification requested in the written objections or at hearing. A copy of
15 the written order shall be mailed to the local system within seven days
16 after the date of the order. The written order of the Tax Commissioner
17 may be appealed within thirty days after the date of the order to the Tax
18 Equalization and Review Commission in accordance with section 77-5013.

19 (5) On or before November 10, any local system or county official
20 may file with the Tax Commissioner a written request for a nonappealable
21 correction of the adjusted valuation due to clerical error as defined in
22 section 77-128 ~~or, for agricultural and horticultural land, assessed~~
23 ~~value changes by reason of land qualified or disqualified for special use~~
24 ~~valuation pursuant to sections 77-1343 to 77-1347.01.~~ On or before the
25 following January 1, the Tax Commissioner shall approve or deny the
26 request and, if approved, certify the corrected adjusted valuations
27 resulting from such action to the State Department of Education.

28 (6) On or before May 31 of the year following the certification of
29 adjusted valuation pursuant to subsection (2) of this section, any local
30 system or county official may file with the Tax Commissioner a written
31 request for a nonappealable correction of the adjusted valuation due to

1 changes to the tax list that change the assessed value of taxable
2 property. Upon the filing of the written request, the Tax Commissioner
3 shall require the county assessor to recertify the taxable valuation by
4 school district in the county on forms prescribed by the Tax
5 Commissioner. The recertified valuation shall be the valuation that was
6 certified on the tax list, pursuant to section 77-1613, increased or
7 decreased by changes to the tax list that change the assessed value of
8 taxable property in the school district in the county in the prior
9 assessment year. On or before the following July 31, the Tax Commissioner
10 shall approve or deny the request and, if approved, certify the corrected
11 adjusted valuations resulting from such action to the State Department of
12 Education.

13 (7) No injunction shall be granted restraining the distribution of
14 state aid based upon the adjusted valuations pursuant to this section.

15 (8) A school district whose state aid is to be calculated pursuant
16 to subsection (5) of this section and whose state aid payment is
17 postponed as a result of failure to calculate state aid pursuant to such
18 subsection may apply to the state board for lump-sum payment of such
19 postponed state aid. Such application may be for any amount up to one
20 hundred percent of the postponed state aid. The state board may grant the
21 entire amount applied for or any portion of such amount. The state board
22 shall notify the Director of Administrative Services of the amount of
23 funds to be paid in a lump sum and the reduced amount of the monthly
24 payments. The Director of Administrative Services shall, at the time of
25 the next state aid payment made pursuant to section 79-1022, draw a
26 warrant for the lump-sum amount from appropriated funds and forward such
27 warrant to the district.

28 Sec. 29. Section 79-1036, Revised Statutes Cumulative Supplement,
29 2016, is amended to read:

30 79-1036 (1) In making the apportionment under section 79-1035, the
31 Commissioner of Education shall distribute from the school fund for

1 school purposes to (a) for school fiscal years prior to school fiscal
2 year 2017-18, any and all learning communities and school districts which
3 are not members of a learning community, and (b) for school fiscal year
4 2017-18 and each school fiscal year thereafter, all school districts in
5 which there are situated school lands which have not been sold and
6 transferred by deed or saline lands owned by the state, which lands are
7 being used for a public purpose, an amount in lieu of tax money that
8 would be raised by school district levies if such lands were taxable, to
9 be ascertained in accordance with subsection (2) of this section, except
10 that:

11 (i) For Class I districts or portions thereof which are affiliated
12 and in which there are situated school or saline lands, 38.6207 percent
13 of the in lieu of land tax money calculated pursuant to subsection (2) of
14 this section, based on the affiliated school system tax levy computed
15 pursuant to section 79-1077, shall be distributed to the affiliated high
16 school district and the remainder shall be distributed to the Class I
17 district;

18 (ii) For Class I districts or portions thereof which are part of a
19 Class VI district which offers instruction in grades nine through twelve
20 and in which there are situated school or saline lands, 38.6207 percent
21 of the in lieu of land tax money calculated pursuant to subsection (2) of
22 this section, based on the Class VI school system levy computed pursuant
23 to section 79-1078, shall be distributed to the Class VI district and the
24 remainder shall be distributed to the Class I district;

25 (iii) For Class I districts or portions thereof which are part of a
26 Class VI district which offers instruction in grades seven through twelve
27 and in which there are situated school or saline lands, 55.1724 percent
28 of the in lieu of land tax money calculated pursuant to subsection (2) of
29 this section, based on the Class VI school system levy computed pursuant
30 to section 79-1078, shall be distributed to the Class VI district and the
31 remainder shall be distributed to the Class I district; and

1 (iv) For Class I districts or portions thereof which are part of a
2 Class VI district which offers instruction in grades six through twelve
3 and in which there are situated school or saline lands, 62.0690 percent
4 of the in lieu of land tax money calculated pursuant to subsection (2) of
5 this section, based on the Class VI school system levy computed pursuant
6 to section 79-1078, shall be distributed to the Class VI district and the
7 remainder shall be distributed to the Class I district.

8 (2) The county assessor shall certify to the Commissioner of
9 Education the tax levies of each school district and, for levies
10 certified prior to January 1, 2017, learning community in which school
11 land or saline land is located and the last appraised value of such
12 school land, which value shall be the agricultural-use same percentage of
13 ~~the appraised value as the percentage of the assessed value is of market~~
14 value described in subsection (2) of section 77-201 for the purpose of
15 applying the applicable tax levies for each district and, for levies
16 certified prior to January 1, 2017, learning community in determining the
17 distribution to the districts of such amounts. The school board of any
18 school district and, for levies certified prior to January 1, 2017, the
19 learning community coordinating council of any learning community in
20 which there is located any leased or undeeded school land or saline land
21 subject to this section may appeal to the Board of Educational Lands and
22 Funds for a reappraisalment of such school land if such school board or
23 learning community coordinating council deems the land not appraised in
24 proportion to the value of adjoining land of the same or similar value.
25 The Board of Educational Lands and Funds shall proceed to investigate the
26 facts involved in such appeal and, if the contention of the school board
27 or learning community coordinating council is correct, make the proper
28 reappraisalment. The value calculation in this subsection shall be used by
29 the Commissioner of Education for making distributions in each school
30 fiscal year.

31 Sec. 30. The State Treasurer shall transfer an additional

1 \$75,000,000 from the General Fund to the Property Tax Credit Cash Fund on
2 or before June 30, 2018, on such date as directed by the budget
3 administrator of the budget division of the Department of Administrative
4 Services.

5 Sec. 31. The State Treasurer shall transfer an additional
6 \$75,000,000 from the General Fund to the Property Tax Credit Cash Fund on
7 or before June 30, 2019, on such date as directed by the budget
8 administrator of the budget division of the Department of Administrative
9 Services.

10 Sec. 33. Sections 10, 11, 12, 13, 14, 16, 17, 18, 19, 24, 25, 26,
11 27, 28, 29, 35, and 36 of this act become operative on January 1, 2018.
12 The other sections of this act become operative on their effective date.

13 Sec. 34. Original section 77-2715.09, Reissue Revised Statutes of
14 Nebraska, and sections 77-1116, 77-2716, 77-2734.01, and 77-2912, Revised
15 Statutes Cumulative Supplement, 2016, are repealed.

16 Sec. 35. Original sections 19-2428, 46-294.03, 77-103.01,
17 77-1507.01, 77-5023, and 79-1016, Reissue Revised Statutes of Nebraska,
18 and sections 76-710.04, 77-201, 77-1327, 77-1371, 77-1502, 77-4212,
19 77-5007, 77-5022, and 79-1036, Revised Statutes Cumulative Supplement,
20 2016, are repealed.

21 Sec. 36. The following sections are outright repealed: Sections
22 77-1343, 77-1344, 77-1345, 77-1345.01, 77-1346, and 77-1347.01, Reissue
23 Revised Statutes of Nebraska, and sections 77-1347, 77-1359, and 77-1363,
24 Revised Statutes Cumulative Supplement, 2016.