

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1076

Introduced by Friesen, 34.

Read first time January 17, 2018

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
2 76-901, Reissue Revised Statutes of Nebraska, and sections 76-903
3 and 77-1327, Revised Statutes Cumulative Supplement, 2016; to
4 increase the documentary stamp tax; to provide for the use of the
5 additional revenue; to harmonize provisions; to provide an operative
6 date; and to repeal the original sections.

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

1 Section 1. Section 76-901, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 76-901 There is hereby imposed a tax on the grantor executing the
4 deed as defined in section 76-203 upon the transfer of a beneficial
5 interest in or legal title to real estate at the rate of two dollars and
6 seventy-five ~~twenty-five~~ cents for each one thousand dollars value or
7 fraction thereof. For purposes of sections 76-901 to 76-908, value means
8 (1) in the case of any deed, not a gift, the amount of the full actual
9 consideration thereof, paid or to be paid, including the amount of any
10 lien or liens assumed, and (2) in the case of a gift or any deed with
11 nominal consideration or without stated consideration, the current market
12 value of the property transferred. Such tax shall be evidenced by stamps
13 to be attached to the deed. All deeds purporting to transfer legal title
14 or beneficial interest shall be presumed taxable unless it clearly
15 appears on the face of the deed or sufficient documentary proof is
16 presented to the register of deeds that the instrument is exempt under
17 section 76-902.

18 Sec. 2. Section 76-903, Revised Statutes Cumulative Supplement,
19 2016, is amended to read:

20 76-903 The Tax Commissioner shall design such stamps in such
21 denominations as in his or her judgment will be the most advantageous to
22 all persons concerned. When any deed subject to the tax imposed by
23 section 76-901 is offered for recordation, the register of deeds shall
24 ascertain and compute the amount of the tax due thereon and shall collect
25 such amount as a prerequisite to acceptance of the deed for recordation.
26 If a dispute arises concerning the taxability of the transfer, the
27 register of deeds shall not record the deed until the disputed tax is
28 paid. If a disputed tax has been paid, the taxpayer may file for a refund
29 pursuant to section 76-908. The taxpayer may also seek a declaratory
30 ruling pursuant to rules and regulations adopted and promulgated by the
31 Department of Revenue. From each two dollars and seventy-five ~~twenty-five~~

1 cents of tax collected pursuant to section 76-901, the register of deeds
2 shall retain fifty cents to be placed in the county general fund and
3 shall remit the balance to the State Treasurer who shall credit ninety-
4 five cents of such amount to the Affordable Housing Trust Fund, twenty-
5 five cents of such amount to the Site and Building Development Fund,
6 twenty-five cents of such amount to the Homeless Shelter Assistance Trust
7 Fund, ~~and~~ thirty cents of such amount to the Behavioral Health Services
8 Fund, and fifty cents of such amount to the Property Tax Credit Cash
9 Fund.

10 Sec. 3. Section 77-1327, Revised Statutes Cumulative Supplement,
11 2016, is amended to read:

12 77-1327 (1) It is the intent of the Legislature that accurate and
13 comprehensive information be developed by the Property Tax Administrator
14 and made accessible to the taxing officials and property owners in order
15 to ensure the uniformity and proportionality of the assessments of real
16 property valuations in the state in accordance with law and to provide
17 the statistical and narrative reports pursuant to section 77-5027.

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

30 (3) The Property Tax Administrator annually shall make and issue
31 comprehensive assessment ratio studies of the average level of

1 assessment, the degree of assessment uniformity, and the overall
2 compliance with assessment requirements for each major class of real
3 property subject to the property tax in each county. The comprehensive
4 assessment ratio studies shall be developed in compliance with
5 professionally accepted mass appraisal techniques and shall employ such
6 statistical analysis as deemed appropriate by the Property Tax
7 Administrator, including measures of central tendency and dispersion. The
8 comprehensive assessment ratio studies shall be based upon the sales file
9 as developed in subsection (2) of this section and shall be used by the
10 Property Tax Administrator for the analysis of the level of value and
11 quality of assessment for purposes of section 77-5027 and by the Property
12 Tax Administrator in establishing the adjusted valuations required by
13 section 79-1016. Such studies may also be used by assessing officials in
14 establishing assessed valuations.

15 (4) For purposes of determining the level of value of agricultural
16 and horticultural land subject to special valuation under sections
17 77-1343 to 77-1347.01, the Property Tax Administrator shall annually make
18 and issue a comprehensive study developed in compliance with
19 professionally accepted mass appraisal techniques to establish the level
20 of value if in his or her opinion the level of value cannot be developed
21 through the use of the comprehensive assessment ratio studies developed
22 in subsection (3) of this section.

23 (5) County assessors and other taxing officials shall electronically
24 report data on the assessed valuation and other features of the property
25 assessment process for such periods and in such form and content as the
26 Property Tax Administrator shall deem appropriate. The Property Tax
27 Administrator shall so construct and maintain the system used to collect
28 and analyze the data to enable him or her to make intracounty comparisons
29 of assessed valuation, including school districts and other political
30 subdivisions, as well as intercounty comparisons of assessed valuation,
31 including school districts and other political subdivisions. The Property

1 Tax Administrator shall include analysis of real property sales pursuant
2 to land contracts and similar transfers at the time of execution of the
3 contract or similar transfer.

4 Sec. 4. This act becomes operative on January 1, 2019.

5 Sec. 5. Original section 76-901, Reissue Revised Statutes of
6 Nebraska, and sections 76-903 and 77-1327, Revised Statutes Cumulative
7 Supplement, 2016, are repealed.