

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 185

FINAL READING

Introduced by Friesen, 34; Erdman, 47.

Read first time January 11, 2019

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
2 77-1344 and 77-1347, Reissue Revised Statutes of Nebraska; to change
3 provisions relating to the special valuation of agricultural or
4 horticultural land; to provide an operative date; and to repeal the
5 original sections.

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

1 Section 1. Section 77-1344, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 77-1344 (1) Agricultural or horticultural land which has an actual
4 value as defined in section 77-112 reflecting purposes or uses other than
5 agricultural or horticultural purposes or uses shall be assessed as
6 provided in subsection (3) of section 77-201 if the land meets the
7 qualifications of this subsection and an application for such special
8 valuation is filed and approved pursuant to section 77-1345. In order for
9 the land to qualify for special valuation, all of the following criteria
10 shall be met: (a) The land ~~must be~~ is located outside the corporate
11 boundaries of any sanitary and improvement district, city, or village
12 except as provided in subsection (2) of this section; and (b) the land
13 ~~must be~~ is agricultural or horticultural land. If the land consists of
14 five contiguous acres or less, the owner or lessee of the land must also
15 provide an Internal Revenue Service Schedule F documenting a profit or
16 loss from farming for two out of the last three years in order for such
17 land to qualify for special valuation.

18 (2) Special valuation may be applicable to agricultural or
19 horticultural land included within the corporate boundaries of a city or
20 village if the land is subject to a conservation or preservation easement
21 as provided in the Conservation and Preservation Easements Act and the
22 governing body of the city or village approves the agreement creating the
23 easement.

24 (3) The eligibility of land for the special valuation provisions of
25 this section shall be determined each year as of January 1. If the land
26 so qualified becomes disqualified on or before December 31 of that year,
27 it shall continue to receive the special valuation until January 1 of the
28 year following.

29 (4) The special valuation placed on such land by the county assessor
30 under this section shall be subject to equalization by the county board
31 of equalization and the Tax Equalization and Review Commission.

1 Sec. 2. Section 77-1347, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 77-1347 Upon approval of an application, the county assessor shall
4 value the land as provided in section 77-1344 until the land becomes
5 disqualified for such valuation by:

6 (1) Written notification by the applicant or his or her successor in
7 interest to the county assessor to remove such special valuation;

8 (2) Except as provided in subsection (2) of section 77-1344,
9 inclusion of the land within the corporate boundaries of any sanitary and
10 improvement district, city, or village;~~or~~

11 (3) The land no longer qualifying as agricultural or horticultural
12 land; or -

13 (4) For land that consists of five contiguous acres or less, the
14 owner or lessee of the land not being able to provide an Internal Revenue
15 Service Schedule F documenting a profit or loss from farming for two out
16 of the last three years.

17 Sec. 3. This act becomes operative on January 1, 2020.

18 Sec. 4. Original sections 77-1344 and 77-1347, Reissue Revised
19 Statutes of Nebraska, are repealed.