

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 303**

Introduced by Lindstrom, 18; at the request of the Governor.

Read first time January 15, 2019

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the Property Tax Credit Act; to amend
- 2 section 77-4212, Reissue Revised Statutes of Nebraska; to change
- 3 provisions relating to the amount of relief granted under the act;
- 4 and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-4212, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 77-4212 (1) For tax year 2007, the amount of relief granted under  
4 the Property Tax Credit Act shall be one hundred five million dollars.  
5 For tax year 2008, the amount of relief granted under the act shall be  
6 one hundred fifteen million dollars. It is the intent of the Legislature  
7 to fund the Property Tax Credit Act for tax years after tax year 2008  
8 using available revenue. For tax years year 2017 and 2018, the amount of  
9 relief granted under the act shall be two hundred twenty-four million  
10 dollars. For tax year 2019 and each tax year thereafter, the amount of  
11 relief granted under the act shall be no less than two hundred seventy-  
12 five million dollars. The relief shall be in the form of a property tax  
13 credit which appears on the property tax statement.

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

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

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

1 taxpayer shall be returned to the State Treasurer by July 1 of the year  
2 the amount disbursed to the county was disbursed. The State Treasurer  
3 shall immediately credit any funds returned under this subsection to the  
4 Property Tax Credit Cash Fund. Upon the return of any funds under this  
5 subsection, the county treasurer shall electronically file a report with  
6 the Property Tax Administrator, on a form prescribed by the Tax  
7 Commissioner, indicating the amount of funds distributed to each taxing  
8 unit in the county in the year the funds were returned, any collection  
9 fee retained by the county in such year, and the amount of unused credits  
10 returned.

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

26 (b) Beginning with tax year 2017, the amount disbursed to each  
27 county shall be equal to the amount available for disbursement determined  
28 under subsection (1) of this section multiplied by the ratio of the  
29 credit allocation valuation in the county to the credit allocation  
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 based on its share of the credits granted to all taxpayers in the  
7 taxing unit.

8 (5) For purposes of this section, credit allocation valuation means  
9 the taxable value for all real property except agricultural land and  
10 horticultural land, one hundred twenty percent of taxable value for  
11 agricultural land and horticultural land that is not subject to special  
12 valuation, and one hundred twenty percent of taxable value for  
13 agricultural land and horticultural land that is subject to special  
14 valuation.

15 (6) The State Treasurer shall transfer from the General Fund to the  
16 Property Tax Credit Cash Fund one hundred five million dollars by August  
17 1, 2007, and one hundred fifteen million dollars by August 1, 2008.

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

20 Sec. 2. Original section 77-4212, Reissue Revised Statutes of  
21 Nebraska, is repealed.