

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 599**

Introduced by Lindstrom, 18.

Read first time January 20, 2021

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 76-902, Reissue Revised Statutes of Nebraska; to change an exemption
- 3 from the documentary stamp tax; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 76-902, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 76-902 The tax imposed by section 76-901 shall not apply to:

4 (1) Deeds recorded prior to November 18, 1965;

5 (2) Deeds to property transferred by or to the United States of  
6 America, the State of Nebraska, or any of their agencies or political  
7 subdivisions;

8 (3) Deeds which secure or release a debt or other obligation;

9 (4) Deeds which, without additional consideration, confirm, correct,  
10 modify, or supplement a deed previously recorded but which do not extend  
11 or limit existing title or interest;

12 (5)(a) Deeds between spouses, between ex-spouses for the purpose of  
13 conveying any rights to property acquired or held during the marriage, or  
14 between parent and child, without actual consideration therefor, and (b)  
15 deeds to or from a family-owned entity to or from a member of such  
16 family, or a spouse thereof, or another family-owned entity owned by the  
17 same family, in each case for no consideration other than permitted  
18 consideration as defined in this subdivision. For purposes of this  
19 subdivision, (i) family-owned entity means a family corporation,  
20 partnership, or limited liability company when all the shares of stock of  
21 the corporation or interest in the partnership or limited liability  
22 company are owned by members of a family, or a trust created for the  
23 benefit of a member of that family, related to one another within the  
24 fourth degree of kindred according to the rules of civil law, and their  
25 spouses, and (ii) permitted consideration means ~~for~~ no consideration  
26 other than (A) the issuance of stock of the corporation or interest in  
27 the partnership or limited liability company to such family member,  
28 spouse, or other family-owned entity members or (B) the return of the  
29 stock to the corporation in partial or complete liquidation of the  
30 corporation or deeds in dissolution of the interest in the partnership or  
31 limited liability company. In order to qualify for the exemption for

1 ~~family-owned entities family corporations, partnerships, or limited~~  
2 ~~liability companies~~, the property shall be transferred in the name of the  
3 ~~entity corporation or partnership~~ and not in the name of the individual  
4 shareholders, partners, or members;

5 (6) Tax deeds;

6 (7) Deeds of partition;

7 (8) Deeds made pursuant to mergers, consolidations, sales, or  
8 transfers of the assets of corporations pursuant to plans of merger or  
9 consolidation filed with the office of Secretary of State. A copy of such  
10 plan filed with the Secretary of State shall be presented to the register  
11 of deeds before such exemption is granted;

12 (9) Deeds made by a subsidiary corporation to its parent corporation  
13 for no consideration other than the cancellation or surrender of the  
14 subsidiary's stock;

15 (10) Cemetery deeds;

16 (11) Mineral deeds;

17 (12) Deeds executed pursuant to court decrees;

18 (13) Land contracts;

19 (14) Deeds which release a reversionary interest, a condition  
20 subsequent or precedent, a restriction, or any other contingent interest;

21 (15) Deeds of distribution executed by a personal representative  
22 conveying to devisees or heirs property passing by testate or intestate  
23 succession;

24 (16) Transfer on death deeds or revocations of transfer on death  
25 deeds;

26 (17) Certified or authenticated death certificates;

27 (18) Deeds transferring property located within the boundaries of an  
28 Indian reservation if the grantor or grantee is a reservation Indian;

29 (19) Deeds transferring property into a trust if the transfer of the  
30 same property would be exempt if the transfer was made directly from the  
31 grantor to the beneficiary or beneficiaries under the trust. No such

1 exemption shall be granted unless the register of deeds is presented with  
2 a signed statement certifying that the transfer of the property is made  
3 under such circumstances as to come within one of the exemptions  
4 specified in this section and that evidence supporting the exemption is  
5 maintained by the person signing the statement and is available for  
6 inspection by the Department of Revenue;

7 (20) Deeds transferring property from a trustee to a beneficiary of  
8 a trust;

9 (21) Deeds which convey property held in the name of any partnership  
10 or limited liability company not subject to subdivision (5) of this  
11 section to any partner in the partnership or member of the limited  
12 liability company or to his or her spouse;

13 (22) Leases;

14 (23) Easements;

15 (24) Deeds which transfer title from a trustee to a beneficiary  
16 pursuant to a power of sale exercised by a trustee under a trust deed; or

17 (25) Deeds transferring property, without actual consideration  
18 therefor, to a nonprofit organization that is exempt from federal income  
19 tax under section 501(c)(3) of the Internal Revenue Code and is not a  
20 private foundation as defined in section 509(a) of the Internal Revenue  
21 Code.

22 Sec. 2. Original section 76-902, Reissue Revised Statutes of  
23 Nebraska, is repealed.