

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 9**

Introduced by Blood, 3.

Read first time January 07, 2021

Committee: Revenue

- 1 A BILL FOR AN ACT relating to real property; to amend sections 16-118 and
- 2 77-1344, Revised Statutes Cumulative Supplement, 2020; to change
- 3 provisions relating to annexation of land and the special valuation
- 4 of agricultural or horticultural land within cities and villages; to
- 5 repeal the original sections; and to declare an emergency.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 16-118, Revised Statutes Cumulative Supplement,  
2 2020, is amended to read:

3 16-118 For purposes of sections 16-117 and 16-130:

4 (1) Lands ,—lands, lots, tracts, streets, or highways shall be  
5 deemed contiguous although a stream, embankment, strip, or parcel of land  
6 not more than two hundred feet wide lies between the same and the  
7 corporate limits; and —

8 (2) Lands, lots, tracts, streets, or highways shall be deemed  
9 contiguous although property owned by the federal government or a natural  
10 resources district lies between the same and the corporate limits, so  
11 long as the lands, lots, tracts, streets, or highways sought to be  
12 annexed are adjacent to or contiguous with the property owned by the  
13 federal government or a natural resources district.

14 Sec. 2. Section 77-1344, Revised Statutes Cumulative Supplement,  
15 2020, is amended to read:

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

31 (2) Special valuation may be applicable to agricultural or

1 horticultural land included within the corporate boundaries of a city or  
2 village if:

3 (a) The ~~the~~ land is subject to a conservation or preservation  
4 easement as provided in the Conservation and Preservation Easements Act  
5 and the governing body of the city or village approves the agreement  
6 creating the easement;

7 (b) The land is subject to air installation compatible use zone  
8 regulations; or

9 (c) The land is within a flood plain.

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

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

18 Sec. 3. Original sections 16-118 and 77-1344, Revised Statutes  
19 Cumulative Supplement, 2020, are repealed.

20 Sec. 4. Since an emergency exists, this act takes effect when  
21 passed and approved according to law.