

**ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024**  
**COMMITTEE STATEMENT**  
**LB126**

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**Hearing Date:** Wednesday February 22, 2023  
**Committee On:** Revenue  
**Introducer:** Day  
**One Liner:** Change provisions relating to homestead exemptions

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**

**Aye:** 8 Senators Albrecht, Bostar, Dungan, Kauth, Linehan, Meyer, Murman,  
von Gillern  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Testimony:**

**Proponents:**

Senator Jen Day  
James Shuey  
Greg Halloway  
Ryan McIntosh

**Representing:**

Opening Presenter  
Disabled American Veterans  
Nebraska Veterans Council  
National Guard Association of Nebraska

**Opponents:**

Beth Bazyn Ferrell

**Representing:**

Nebraska Association of County Officials (NACO)

**Neutral:**

**Representing:**

\* ADA Accommodation Written Testimony

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**Summary of purpose and/or changes:**

LB 126 modifies Neb. Rev. Stat. Sec. 77-3506 to establish a new section detailing a homestead exemption for veterans who have between a ten percent disability but less than one hundred percent disability, and establishes a dollar amount for such exemption according to varying degrees of disability

Section 1. Amends Neb. Rev. Stat. Sec. 77-3506 to establish a new category under the Homestead Exemption statutes to allow for specific exemption amounts for varying degrees of partial disability as follows:

90 to <100% disability - \$1,000.00  
80 to <90% disability - \$900.00  
70 to <80% disability - \$800.00  
60 to <70% disability - \$700.00  
50 to <60% disability - \$600.00



40 to <50% disability - \$500.00

30 to <40% disability - \$400.00

20 to <30% disability - \$300.00

10 to <20% disability - \$200.00;

and further amends the statute to harmonize provisions to reflect this change.

Section 2. Repeals original statute.

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**Explanation of amendments:**

The amendment allows anyone currently under a homestead exemption the choice to either remain under their current exemption, or apply for the new exemption.

The amendment establishes a new system of payment under the homestead exemption where everyone is required to pay some amount of property tax, starting at a minimum of one hundred dollars (\$100.00) per month.

The amendment establishes a one million dollar (\$1,000,000.00) total asset cap on qualifying for a homestead exemption for married and single persons.

For those in a qualified census tract, the amendment establishes that a new homeowner is entitled to a 50% valuation reduction for their first 5 years.

The amendment establishes a qualification for the homestead exemption for the elderly that you must have started drawing social security or an equivalent retirement system for railroad retirement, CSRS (Civil Service Retirement System, the old federal retirement system), or any other system that does not have social security as a retirement component.

The amendment establishes parameters for the homestead exemption for disabled veterans that a veteran must be classified as fifty percent (50%) disabled or higher to qualify for the homestead exemption.

The amendment also establishes the following chart as a stair step system going up to \$100,000.00 in household income for a married couple, filing jointly. For a single, the qualifying amounts are reduced by 30%.

\$38,909.99	\$100.00/mo	\$1,200.00/yr (used as a sample as this is where 100% starts to phase out currently)
\$40,000.00	\$110.00/mo	\$1,320.00/yr
\$45,000.00	\$150.00/mo	\$1,800.00/yr
\$50,000.00	\$175.00/mo	\$2,100.00/yr
\$55,000.00	\$200.00/mo	\$2,400.00/yr
\$60,000.00	\$225.00/mo	\$2,700.00/yr
\$65,000.00	\$250.00/mo	\$3,000.00/yr
\$70,000.00	\$275.00/mo	\$3,300.00/yr
\$75,000.00	\$300.00/mo	\$3,600.00/yr



\$80,000.00	\$325.00/mo	\$3,900.00/yr
\$85,000.00	\$350.00/mo	\$4,200.00/yr
\$90,000.00	\$375.00/mo	\$4,500.00/yr
\$95,000.00	\$400.00/mo	\$4,800.00/yr
\$100,000.00	\$500.00/mo	\$6,000.00/yr

For incomes over \$100,000.00 (or the corresponding amount for singles), the first \$100,000 of valuation is subtracted from valuation up to the one million dollar (\$1,000,000.00) asset cap.

The amendment also includes language and provisions from LB 1151 introduced by Senator Dover, Adding a definition of occupy within the Homestead exemption statutes.

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Lou Ann Linehan, Chairperson

