

## LEGISLATIVE BILL 1214

Approved by the Governor March 30, 2000

Introduced by Speaker Kristensen, 37; at the request of the Governor

AN ACT relating to revenue and taxation; to amend section 84-612, Reissue Revised Statutes of Nebraska, and section 77-5304, Revised Statutes Supplement, 1999; to change provisions relating to transfers of funds and the Relief to Property Taxpayers Act; to eliminate a fund; to harmonize provisions; to repeal the original sections; to outright repeal section 79-1072.04, Revised Statutes Supplement, 1999; and to declare an emergency.

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

Section 1. Section 77-5304, Revised Statutes Supplement, 1999, is amended to read:

77-5304. (1) For tax year 2000, the amount of relief granted under the Relief to Property Taxpayers Act shall be ~~thirty-five~~ twenty-five million dollars. For tax years after 2001, the amount of relief granted under the act shall be equal to the amount appropriated or transferred to the Relief to Property Taxpayers Cash Fund by August 16. It is the intent of the Legislature to fund the Relief to Property Taxpayers Act for tax years 2001, 2002, and 2003 using available excess revenue. The relief shall be in the form of a property tax credit which appears on the property tax statement.

(2) To determine the amount of the property tax credit, the county treasurer shall multiply the amount disbursed to the county under subsection (4) of this section by the ratio of the real property valuation of the parcel to the total real property valuation in the county. The amount determined shall be the property tax credit for the property.

(3) If the real property owner qualifies for a homestead exemption under sections 77-3501 to 77-3529, the homestead owner shall also be qualified for the relief provided in the act to the extent of any remaining liability after calculation of the relief provided by the homestead exemption. If the credit results in a property tax liability on the homestead that is less than zero, the amount of the credit which cannot be used by the taxpayer shall be returned to the State Treasurer by July 1 of the year the amount disbursed to the county was disbursed. The State Treasurer shall immediately credit any funds returned under this section to the ~~Tax Equity and Educational Opportunities Support Act Stabilization Fund until July 15, 2001, and to the Relief to Property Taxpayers Cash Fund on and after such date the effective date of this act.~~

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

Sec. 2. Section 84-612, Reissue Revised Statutes of Nebraska, is amended to read:

84-612. (1) There is hereby created within the state treasury a fund known as the Cash Reserve Fund which shall be under the direction of the State Treasurer. The fund shall only be used pursuant to this section.

(2) The State Treasurer shall transfer funds from the Cash Reserve Fund to the General Fund upon certification by the Director of Administrative Services that the current cash balance in the General Fund is inadequate to meet current obligations. Such certification shall include the dollar amount to be transferred.

(3) Any transfers made pursuant to subsections (2) and (5) of this section shall be reversed upon notification by the Director of Administrative Services that sufficient funds are available.

(4) On or before August 1, 1994, the State Treasurer shall transfer six million dollars from the Cash Reserve Fund to the Job Training Cash Fund.

(5) The State Treasurer shall transfer funds from the Cash Reserve Fund to the Roads Operations Cash Fund upon certification by the Director of Administrative Services that the current cash balance in the Roads Operations Cash Fund is inadequate to meet current obligations as the result of delayed receipt of federal funds. The certification shall include the dollar amount to be transferred. The authority to transfer funds pursuant to this subsection shall be in effect for the period July 1, 1998, through June 30, 1999.

(6) On or before September 1, 1998, the State Treasurer shall transfer four million five hundred thousand dollars from the Cash Reserve Fund to the General Fund.

(7) On or before September 1, 1998, the State Treasurer shall transfer two million dollars from the Cash Reserve Fund to the Reorganized School Assistance Fund.

(8) On June 15, 1999, the State Treasurer shall transfer twelve million dollars from the Cash Reserve Fund to the General Fund.

(9) On or before June 30, 1999, the State Treasurer shall transfer eighty million dollars from the Cash Reserve Fund to the General Fund.

(10) On June 15, 2001, the State Treasurer shall transfer twenty-eight million dollars from the Cash Reserve Fund to the General Fund.

(11) On August 16, 1999, the State Treasurer shall transfer thirty million dollars from the Cash Reserve Fund to the Relief to Property Taxpayers Cash Fund for the purposes of increased aid to community colleges.

(12) On August 16, 2000, the State Treasurer shall transfer ~~thirty-five~~ twenty-five million dollars from the Cash Reserve Fund to the Relief to Property Taxpayers Cash Fund.

(13) On August 1, 2001, the State Treasurer shall transfer thirty-five million dollars from the Cash Reserve Fund to the General Fund for purposes of funding the Tax Equity and Educational Opportunities Support Act.

Sec. 3. Original section 84-612, Reissue Revised Statutes of Nebraska, and section 77-5304, Revised Statutes Supplement, 1999, are repealed.

Sec. 4. The following section is outright repealed: Section 79-1072.04, Revised Statutes Supplement, 1999.

Sec. 5. Since an emergency exists, this act takes effect when passed and approved according to law.