

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1067

FINAL READING

Introduced by Hallstrom, 1; McKinney, 11; Dover, 19; Quick, 35.

Read first time January 14, 2026

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
2 81-1230, Reissue Revised Statutes of Nebraska, section 58-703,
3 Revised Statutes Cumulative Supplement, 2024, and sections 76-901,
4 76-903, 77-1327, and 81-1239, Revised Statutes Supplement, 2025; to
5 change provisions relating to the Affordable Housing Trust Fund, the
6 rate and disbursement of the documentary stamp tax, the Rural
7 Workforce Housing Investment Fund, and the Middle Income Workforce
8 Housing Investment Fund; to harmonize provisions; and to repeal the
9 original sections.
10 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 58-703, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 58-703 (1) The Affordable Housing Trust Fund is created. The fund
4 shall receive money pursuant to section 76-903 and may include revenue
5 from sources recommended by the housing advisory committee established in
6 section 58-704, appropriations from the Legislature, transfers authorized
7 by the Legislature, grants, private contributions, repayment of loans,
8 and all other sources. The Department of Economic Development as part of
9 its comprehensive housing affordability strategy shall administer the
10 Affordable Housing Trust Fund.

11 (2)(a) Prior to July 1, 2027, transfers Transfers may be made from
12 the Affordable Housing Trust Fund to the General Fund, the Behavioral
13 Health Services Fund, the Lead-Based Paint Hazard Control Cash Fund, the
14 Middle Income Workforce Housing Investment Fund, the Rural Workforce
15 Housing Investment Fund, and the Site and Building Development Fund at
16 the direction of the Legislature.

17 (b) Beginning on and after July 1, 2027, money shall not be
18 transferred from the Affordable Housing Trust Fund.

19 **Sec. 2.** Section 76-901, Revised Statutes Supplement, 2025, is
20 amended to read:

21 76-901 There is hereby imposed a tax on the grantor executing the
22 deed as defined in section 76-203 upon the transfer of a beneficial
23 interest in or legal title to real estate at the rate of three ~~two~~
24 dollars and thirty-two cents for each one thousand dollars value or
25 fraction thereof for transfers before January 1, 2032, and at the rate of
26 two dollars and thirty-two cents for each one thousand dollars value or
27 fraction thereof for transfers on or after January 1, 2032. For purposes
28 of sections 76-901 to 76-908, value means (1) in the case of any deed,
29 not a gift, the amount of the full actual consideration thereof, paid or
30 to be paid, including the amount of any lien or liens assumed, and (2) in
31 the case of a gift or any deed with nominal consideration or without

1 stated consideration, the current market value of the property
2 transferred. Such tax shall be evidenced by stamps to be attached to the
3 deed. All deeds purporting to transfer legal title or beneficial interest
4 shall be presumed taxable unless it clearly appears on the face of the
5 deed or sufficient documentary proof is presented to the register of
6 deeds that the instrument is exempt under section 76-902.

7 **Sec. 3.** Section 76-903, Revised Statutes Supplement, 2025, is
8 amended to read:

9 76-903 The Tax Commissioner shall design such stamps in such
10 denominations as in his or her judgment will be the most advantageous to
11 all persons concerned. When any deed subject to the tax imposed by
12 section 76-901 is offered for recordation, the register of deeds shall
13 ascertain and compute the amount of the tax due thereon and shall collect
14 such amount as a prerequisite to acceptance of the deed for recordation.
15 If a dispute arises concerning the taxability of the transfer, the
16 register of deeds shall not record the deed until the disputed tax is
17 paid. If a disputed tax has been paid, the taxpayer may file for a refund
18 pursuant to section 76-908. The taxpayer may also seek a declaratory
19 ruling pursuant to rules and regulations adopted and promulgated by the
20 Department of Revenue. From each three ~~two~~ dollars and thirty-two cents
21 of tax collected pursuant to section 76-901 for transfers before January
22 1, 2032, the register of deeds shall retain fifty cents to be placed in
23 the county general fund and shall remit the balance to the State
24 Treasurer who shall credit ninety-five cents of such amount to the
25 Affordable Housing Trust Fund, twenty-five cents of such amount to the
26 Site and Building Development Fund, twenty-five cents of such amount to
27 the Homeless Shelter Assistance Trust Fund, thirty cents of such amount
28 to the Behavioral Health Services Fund, ~~and~~ seven cents of such amount to
29 the Domestic Violence and Sex Trafficking Survivor Housing Assistance
30 Fund, fifty cents of such amount to the Rural Workforce Housing
31 Investment Fund, and fifty cents of such amount to the Middle Income

1 Workforce Housing Investment Fund. From each two dollars and thirty-two
2 cents of tax collected pursuant to section 76-901 for transfers on or
3 after January 1, 2032, the register of deeds shall retain fifty cents to
4 be placed in the county general fund and shall remit the balance to the
5 State Treasurer who shall credit ninety-five cents of such amount to the
6 Affordable Housing Trust Fund, twenty-five cents of such amount to the
7 Site and Building Development Fund, twenty-five cents of such amount to
8 the Homeless Shelter Assistance Trust Fund, thirty cents of such amount
9 to the Behavioral Health Services Fund, and seven cents of such amount to
10 the Domestic Violence and Sex Trafficking Survivor Housing Assistance
11 Fund. Except as provided in subsection (6) of section 81-1230, subsection
12 (3) of section 81-1231, subsection (6) of section 81-1239, and subsection
13 (3) of section 81-1240, any money remitted to the State Treasurer under
14 this section shall only be used to credit the funds described in this
15 section and any purpose authorized by the funds such money is credited to
16 and shall not be used for any other purpose.

17 **Sec. 4.** Section 77-1327, Revised Statutes Supplement, 2025, is
18 amended to read:

19 77-1327 (1) It is the intent of the Legislature that accurate and
20 comprehensive information be developed by the Property Tax Administrator
21 and made accessible to the taxing officials and property owners in order
22 to ensure the uniformity and proportionality of the assessments of real
23 property valuations in the state in accordance with law and to provide
24 the statistical and narrative reports pursuant to section 77-5027.

25 (2) All transactions of real property for which the statement
26 required in section 76-214 is filed shall be available for development of
27 a sales file by the Property Tax Administrator. All transactions with
28 stated consideration of more than one hundred dollars or upon which more
29 than three ~~two~~ dollars and thirty-two cents in documentary stamp taxes
30 for transactions before January 1, 2032, or two dollars and thirty-two
31 cents in documentary stamp taxes for transactions on or after January 1,

1 2032, are paid shall be considered sales. All sales shall be deemed to be
2 arm's length transactions unless determined to be otherwise under
3 professionally accepted mass appraisal techniques. The Department of
4 Revenue shall not overturn a determination made by a county assessor
5 regarding the qualification of a sale unless the department reviews the
6 sale and determines through the review that the determination made by the
7 county assessor is incorrect.

8 (3) The Property Tax Administrator annually shall make and issue
9 comprehensive assessment ratio studies of the average level of
10 assessment, the degree of assessment uniformity, and the overall
11 compliance with assessment requirements for each major class of real
12 property subject to the property tax in each county. The comprehensive
13 assessment ratio studies shall be developed in compliance with
14 professionally accepted mass appraisal techniques and shall employ such
15 statistical analysis as deemed appropriate by the Property Tax
16 Administrator, including measures of central tendency and dispersion. The
17 comprehensive assessment ratio studies shall be based upon the sales file
18 as developed in subsection (2) of this section and shall be used by the
19 Property Tax Administrator for the analysis of the level of value and
20 quality of assessment for purposes of section 77-5027 and by the Property
21 Tax Administrator in establishing the adjusted valuations required by
22 section 79-1016. Such studies may also be used by assessing officials in
23 establishing assessed valuations.

24 (4) For purposes of determining the level of value of agricultural
25 and horticultural land subject to special valuation under sections
26 77-1343 to 77-1347.01, the Property Tax Administrator shall annually make
27 and issue a comprehensive study developed in compliance with
28 professionally accepted mass appraisal techniques to establish the level
29 of value if in his or her opinion the level of value cannot be developed
30 through the use of the comprehensive assessment ratio studies developed
31 in subsection (3) of this section.

1 (5) County assessors and other taxing officials shall electronically
2 report data on the assessed valuation and other features of the property
3 assessment process for such periods and in such form and content as the
4 Property Tax Administrator shall deem appropriate. The Property Tax
5 Administrator shall so construct and maintain the system used to collect
6 and analyze the data to enable him or her to make intracounty comparisons
7 of assessed valuation, including school districts and other political
8 subdivisions, as well as intercounty comparisons of assessed valuation,
9 including school districts and other political subdivisions. The Property
10 Tax Administrator shall include analysis of real property sales pursuant
11 to land contracts and similar transfers at the time of execution of the
12 contract or similar transfer.

13 **Sec. 5.** Section 81-1230, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 81-1230 (1) The Rural Workforce Housing Investment Fund is created.
16 Funding for the grant program described in section 81-1229 shall come
17 from the Rural Workforce Housing Investment Fund. The Rural Workforce
18 Housing Investment Fund shall receive money pursuant to section 76-903
19 and may include revenue from appropriations from the Legislature, grants,
20 private contributions, and other sources. In addition, the State
21 Treasurer shall make a one-time transfer of seven million three hundred
22 thousand dollars on or before October 1, 2017, from the Affordable
23 Housing Trust Fund to the Rural Workforce Housing Investment Fund. Any
24 money in the Rural Workforce Housing Investment Fund available for
25 investment shall be invested by the state investment officer pursuant to
26 the Nebraska Capital Expansion Act and the Nebraska State Funds
27 Investment Act.

28 (2) The department shall administer the Rural Workforce Housing
29 Investment Fund and may seek additional private or nonstate funds to use
30 in the grant program, including, but not limited to, contributions from
31 the Nebraska Investment Finance Authority and other interested parties.

1 (3) Interest earned by the department on grant funds shall be
2 applied to the grant program.

3 (4) If a nonprofit development organization fails to engage in the
4 initial qualified activity within twenty-four months after receiving
5 initial grant funding, the nonprofit development organization shall
6 return the grant funds to the department for credit to the General Fund.

7 (5) If a nonprofit development organization fails to allocate any
8 remaining initial grant funding on a qualified activity within twenty-
9 four months after engaging in the initial qualified activity, the
10 nonprofit development organization shall return such unallocated grant
11 funds to the department for credit to the Rural Workforce Housing
12 Investment Fund.

13 (6) Beginning July 1, 2027, any funds held by the department in the
14 Rural Workforce Housing Investment Fund shall be transferred to the
15 General Fund.

16 **Sec. 6.** Section 81-1239, Revised Statutes Supplement, 2025, is
17 amended to read:

18 81-1239 (1) The Middle Income Workforce Housing Investment Fund is
19 created. Funding for the grant program described in section 81-1238 shall
20 come from the Middle Income Workforce Housing Investment Fund. The Middle
21 Income Workforce Housing Investment Fund shall receive money pursuant to
22 section 76-903 and may include revenue transferred at the direction of
23 the Legislature, grants, private contributions, and other sources. Any
24 money in the Middle Income Workforce Housing Investment Fund available
25 for investment shall be invested by the state investment officer pursuant
26 to the Nebraska Capital Expansion Act and the Nebraska State Funds
27 Investment Act.

28 (2) The department shall establish a subaccount within the Middle
29 Income Workforce Housing Investment Fund that shall be used to fund
30 affordable housing and related land parcel preparation activities under
31 the Economic Recovery Act as described in subdivisions (4)(d) and (e) of

1 section 81-12,241.

2 (3) The department shall administer the Middle Income Workforce
3 Housing Investment Fund and may seek additional private or nonstate funds
4 to use in the grant program under the Middle Income Workforce Housing
5 Investment Act, including, but not limited to, contributions from the
6 Nebraska Investment Finance Authority and other interested parties.

7 (4) Interest earned by the department on grant funds shall be
8 applied to the grant program.

9 (5) If a nonprofit development organization, or a recipient of
10 subaccount funds described in subsection (2) of this section, fails to
11 engage in a qualified activity within twenty-four months after receiving
12 initial grant funding, the nonprofit development organization or
13 recipient of subaccount funds shall return the grant proceeds to the
14 department for credit to the General Fund.

15 (6) Beginning July 1, 2029, any funds held by the department in the
16 Middle Income Workforce Housing Investment Fund shall be transferred to
17 the General Fund.

18 **Sec. 7.** Original section 81-1230, Reissue Revised Statutes of
19 Nebraska, section 58-703, Revised Statutes Cumulative Supplement, 2024,
20 and sections 76-901, 76-903, 77-1327, and 81-1239, Revised Statutes
21 Supplement, 2025, are repealed.