

LEGISLATIVE BILL 159

Approved by the Governor March 26, 1979

Introduced by Oversight Committee, Carsten, 2, Chmn.: Warner, 25; Schmit, 23; Kremer, 34; Nichol, 48; Lewis, 45; R. Maresh, 32; George, 16; Koch, 12

AN ACT to amend sections 77-509, 77-629, 77-1241.09, 77-1250, 77-1301.01, 77-1301.13, 77-1330, and 77-1336, Reissue Revised Statutes of Nebraska, 1943, relating to taxation; to require compliance with prescribed manuals and guides in the appraisal and reappraisal of property; to make valuations determined by the State Board of Equalization and Assessment binding on counties; and to repeal the original sections.

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

Section 1. That section 77-509, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-509. At the hearing provided by section 77-508, the legal representatives of the counties may appear and show cause why the valuation or valuations of the real or personal property of their county should not be increased or decreased by the State Board of Equalization and Assessment, and, after a full hearing, either by the board or the Tax Commissioner, the board, not later than August 15, shall enter its order and certify the same to the county clerks or officer with the duty of making up the tax list of the proper counties as set forth in section 77-506. Until such time as the Supreme Court, pursuant to an appeal prosecuted pursuant to section 77-510, Reissue Revised Statutes of Nebraska, 1943, may rule otherwise, each county shall be bound by the valuation established by the State Board of Equalization and Assessment.

Sec. 2. That section 77-629, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-629. The Tax Commissioner shall each year make a levy, for purposes of taxation, against the value assessed and determined to exist in the state as provided in sections 77-626 and 77-627, at a rate which shall be equal, as nearly as may be, to the average rate of all general taxes, county, municipal, school, and local, levied throughout the several taxing districts of the

state for the preceding year. When such rate of levy shall have been determined, the Tax Commissioner shall cause to be sent to each owner or operator of car line property a statement of the amount of valuation or assessment, the rate of the levy, and the amount of the tax, which tax so found and notified is required to be paid to the Tax Commissioner, within the time provided for the payment of general personal property taxes, who shall remit the same, less a three per cent collection fee, ~~for fiscal years 1973 to 1979,~~ to the State Treasurer for distribution among the counties, proportionate to the populations thereof, for credit to the general fund. The collection fee shall be remitted to the State Treasurer for credit to the Tax Commissioner Revolving Fund. The Tax Commissioner may issue a distress warrant to compel payment of the same which may be served by any sheriff, any member of the Nebraska State Patrol, or any person specially deputized by the Tax Commissioner to serve the same. At the time of paying the tax the Tax Commissioner shall issue a receipt therefor in duplicate, one of which shall be given to the taxpayer and one filed with the State Treasurer at the time the tax collected is paid by the Tax Commissioner to the state treasury.

Sec. 3. That section 77-1241.09, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-1241.09. (1) As motor vehicle taxes and registration fees are received by the Tax Commissioner pursuant to sections 60-305.09 and 77-1241.07, the Tax Commissioner shall transmit such taxes and fees to the State Treasurer, less a collection fee consisting of three per cent of motor vehicle taxes and three per cent of the thirty per cent of those registration fees collected pursuant to section 60-305.09 and deposited by the State Treasurer as provided in this subsection. ~~for fiscal years 1973 to 1979.~~ The State Treasurer shall deposit all such taxes and thirty per cent of the fees collected pursuant to section 60-305.09, except the collection fee, in the Motor Vehicle Tax Fund and all such fees, except thirty per cent of the fees collected pursuant to section 60-305.09, in the Highway Trust Fund. The collection fee shall be remitted to the State Treasurer for credit to the Tax Commissioner Revolving Fund.

(2) On or before the first day of April, 1970, and quarterly thereafter, the State Treasurer shall distribute all funds in the Motor Vehicle Tax Fund to the county treasurer of each county in the same proportion as the number of original motor vehicle registrations in

each county bears to the total of all original registrations within the state in the registration year immediately preceding.

(3) Upon receipt of motor vehicle tax funds from the State Treasurer, the county treasurer shall allocate such funds to each taxing district of the county based on the percentage which motor vehicle registrations in each taxing district of the county bears to the total of all registrations within the county in the preceding calendar year, and distribute such funds to those political subdivisions which levy taxes in the same proportion that the levy of each such taxing subdivision bears to the total of such levies within each taxing district.

(4) In the event any taxing district has been annexed, merged, dissolved or in any way absorbed into another taxing district any apportionment of motor vehicle taxes to which such taxing district would have been entitled shall be apportioned to the successor taxing district which has assumed the functions of the annexed, merged, dissolved, or absorbed taxing district.

(5) On or before March 1 of each year, the Department of Motor Vehicles shall furnish to the State Treasurer a tabulation showing the total number of original motor vehicle registrations in each county for the immediately preceding calendar year, which shall be the basis for computing the distribution of motor vehicle tax funds as provided in subsection (2) of this section.

Sec. 4. That section 77-1250, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-1250. When levied, the tax shall be collected and paid to the Tax Commissioner, remitted to the State Treasurer and, less a three per cent collection fee, for fiscal years 1973 to 1979, distributed to the counties to the credit of the county general fund proportionate to the total assessed valuation of the county. The collection fee shall be remitted to the State Treasurer for credit to the Tax Commissioner Revolving Fund.

Sec. 5. That section 77-1301.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-1301.01. The Tax Commissioner shall by rule establish standards for the reappraisal of all lands and improvements in the various counties. The standards established shall require that all reappraisals shall be based upon the use of appraisal manuals developed

pursuant to section 77-1330, and shall be such as to assure the determination of actual value on a consistent basis in accordance with the formula prescribed in section 77-112 and the equalization of values. The Tax Commissioner shall also establish standards for reappraisal contracts which shall, among other provisions, provide require that all such contracts shall require the use of appraisal manuals developed pursuant to section 77-1330, that no reappraisal contract shall be valid until approved in writing by the Tax Commissioner, and that payment of the final ten per cent of the contract price shall not be made until the reappraisal has been approved by the Tax Commissioner. The approval of the reappraisal by the Tax Commissioner shall be made only after the Tax Commissioner has held a public hearing regarding such approval. Such hearing shall be held in accordance with the provisions of Chapter 84, article 9.

Sec. 6. That section 77-1301.13, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-1301.13. (1) The agreement for reappraisal shall be such as to assure the determination of actual values on a consistent basis in accordance with the formula prescribed in section 77-112.

(2) The agreement shall contain at least the following provisions:

(a) Procedures under which reappraisal shall be conducted;

(b) Qualifications for all persons performing the reappraisal;

(c) Type and amount of work which may be performed by county officials and their employees;

(d) Type and amount of work which may be performed by independent contractors under the direction and control of one of the parties to the agreement;

(e) The time period in which work shall be performed by all parties;

(f) That a cadastral map and parcel numbering system pursuant to section 77-1301.04 be adopted; and

(g) That payment for actual cost of any work performed under the agreement by independent contractors pursuant to the direction and control of the Tax Commissioner or state employees be made to the Tax

Commissioner; and

(h) That the reappraisal be based upon the appraisal manuals developed pursuant to section 77-1330.

Sec. 7. That section 77-1330, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-1330. The Tax Commissioner shall prepare, issue, and periodically annually revise guides for local county assessors in the form of handbooks of rules and regulations, appraisal manuals, special manuals and studies, cost and price schedules, news and reference bulletins, property tax laws and memorandums. County assessors shall continually use such guides in the performance of their duties. All appraisals or reappraisals of property for tax purposes shall be in compliance with such manuals and guides.

Sec. 8. That section 77-1336, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-1336. (1) In order to promote compliance with the requirements of law, the Tax Commissioner shall issue and, from time to time, may amend or revise rules and regulations containing minimum standards of assessment and appraisal performance. Such standards shall relate to: (a) Adequacy of tax maps and records; (b) types and qualifications of personnel; (c) methods and specifications for the appraisal or reappraisal of property; (d) compliance with state manuals and guidelines; and ~~(d)~~ (e) administration. For failure to meet the standards contained in such rules and regulations, the Tax Commissioner may suspend, in whole or in part, performance of the assessment or appraisal function by a county.

(2) If the Tax Commissioner finds that a county has failed or is failing to meet the standards contained in the rules or regulations in force pursuant to subsection (1) of this section, he or she shall notify the county assessor of the fact and nature of the failure. The notice shall be in writing and shall be served upon the county assessor and the county board.

(3) If within one year from the service of the notice the failure has not been remedied, the Tax Commissioner may, at any time during the continuance of such failure, issue an order requiring the county assessor and county board to show cause why the authority of the county with respect to assessments or any matter

related thereto should not be suspended; shall set a time and place at which the Tax Commissioner or his or her representative shall hear the county assessor and county board on the order; and after such hearing shall determine whether and to what extent the assessment function of the county shall be so suspended.

(4) During the continuance of a suspension pursuant to subsection (3) of this section, the Tax Commissioner shall succeed to the authority and duties from which the county has been suspended and shall exercise and perform the same. Such exercise and performance shall be a charge on the suspended county. The suspension shall continue until the Tax Commissioner finds that the conditions responsible for the failure to meet the minimum standards contained in the rules and regulations of the Tax Commissioner have been corrected.

(5) Any county aggrieved by a determination of the Tax Commissioner made pursuant to this section or alleging that its suspension is no longer justified, may have review of such determination or continued suspension in accordance with the Administrative Procedures Act.

Sec. 9. That original sections 77-509, 77-629, 77-1241.09, 77-1250, 77-1301.01, 77-1301.13, 77-1330, and 77-1336, Reissue Revised Statutes of Nebraska, 1943, are repealed.