

## LEGISLATIVE BILL 1122

Approved by the Governor March 25, 1996

Introduced by Warner, 25

AN ACT relating to revenue and taxation; to amend sections 77-202.01 and 77-202.03, Revised Statutes Supplement, 1995; to change deadlines for filing applications and affidavits regarding property tax exemptions; to repeal the original sections; and to declare an emergency.

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

Section 1. Section 77-202.01, Revised Statutes Supplement, 1995, is amended to read:

77-202.01. Any organization or society seeking a tax exemption provided in subdivisions (1)(b) and (1)(c) of section 77-202 for any real or personal property, except motor vehicles, shall apply for exemption to the county assessor before January 1 of the year for which the exemption is sought on forms prescribed by the Property Tax Administrator. The county assessor shall examine the application and recommend either taxable or exempt status for the real property or tangible personal property, except motor vehicles, to the county board of equalization on or before February 1 following.

Any organization or society which misses the January 1 deadline for applying for exemption may apply prior to ~~February~~ July 1 to the county board of equalization for a waiver so that the county assessor may consider the application for exemption. The county board of equalization shall grant the waiver upon a finding that good cause exists for the failure to make application by January 1. When the waiver is granted, the county assessor shall examine the application and recommend either taxable or exempt status for the real property or tangible personal property, except motor vehicles, to the county board of equalization and may assess a penalty against the organization of ten percent of the tax that would have been assessed had the waiver been denied for each calendar month or fraction thereof for which the filing of the application for waiver missed the January 1 deadline.

The changes made to this section by this legislative bill apply to applications filed for 1996 taxes and all years thereafter.

Sec. 2. Section 77-202.03, Revised Statutes Supplement, 1995, is amended to read:

77-202.03. (1)(a) A properly granted exemption of real or tangible personal property, except motor vehicles and real property used for cemetery purposes, provided for in subdivisions (1)(b) and (1)(c) of section 77-202 shall continue for a period of four years if the affidavit required by subsection (2) of this section is filed when due. The four-year period shall begin with years evenly divisible by four.

(b) A properly granted exemption of real property used for cemetery purposes provided for in subdivision (1)(c) of section 77-202 shall continue for a period of ten years. At the end of each ten-year period, the county board may renew the exemption for another ten years without reapplication. This subdivision shall apply to applications granted after August 25, 1989.

(2) In each intervening year occurring between application years, the organization or society which filed the granted exemption application for the real or tangible personal property, except motor vehicles and real property used for cemetery purposes, shall file an affidavit with the county assessor before January 1, on forms prescribed by the Property Tax Administrator, certifying that the ownership and use of the exempted property has not changed during the year. Any organization or society which misses the January 1 deadline for filing the affidavit may file the affidavit by July 1, for 1993 and by February 1 for all subsequent years. Such filing shall maintain the tax-exempt status of the property without further action by the county and regardless of any previous action by the county board to deny the exemption due to late filing of the affidavit. Upon any such late filing, the county board may assess a penalty against such organization or society of ten percent of the tax that would have been assessed had the affidavit not been filed for each calendar month or fraction thereof for which the filing of the affidavit is late. The changes made to this subsection by this legislative bill apply to affidavits filed for 1996 taxes and all years thereafter.

(3) Prior to January 1 of any application year, a new application shall be filed with the county assessor as provided in section 77-202.01.

(4) If any organization or society seeks a tax exemption for any real or tangible personal property, except motor vehicles, acquired after

January 1 of any year or converted to exempt use after January 1 of any year, the organization or society shall make application for exemption on or before August 15 of that year as provided in section 77-202.01. The procedure for reviewing the application shall be as in sections 77-202.01 to 77-202.07, except that the exempt use shall be determined as of the date of application. The exemption shall continue for the same period and under the same conditions as if it had been granted on an application which had been filed in accordance with subsections (1) and (2) of this section and section 77-202.01.

(5) In any year, the county assessor or the county board may cause a review of any exemption to determine whether the exemption is proper. Such a review may be taken even if the ownership or use of the property has not changed from the date of the allowance of the exemption. The review shall follow the procedure set out in section 77-202.02. If it is determined that a change in exempt status is warranted, the procedure for hearing set out in section 77-202.02 shall be followed. If an exemption is denied, the county board shall place the property on the tax rolls retroactive to January 1 of that year if on August 15 of that year the property no longer qualifies for an exemption.

(6) During the month of September of each year, the county board shall cause to be published in a paper of general circulation in the county a list of all real estate in the county exempt from taxation for that year pursuant to subdivisions (1)(b) and (1)(c) of section 77-202. Such list shall be grouped into categories as provided by the Property Tax Administrator. A copy of the list and proof of publication shall be forwarded to the Department of Revenue.

Sec. 3. Original sections 77-202.01 and 77-202.03, Revised Statutes Supplement, 1995, are repealed.

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