

One Hundred Third Legislature - First Session - 2013

Introducer's Statement of Intent

LB348

Chairperson: Senator Galen Hadley

Committee: Revenue

Date of Hearing: March 01, 2013

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB348 requires the use of a net operating income valuation approach when assessing affordable housing developments, with the Nebraska Investment Finance Authority setting the capitalization rate.

LB348 reduces foreclosure risk on existing projects, encourages further investment in the State of Nebraska, reduces the housing burden placed on the State government, results in additional jobs and helps fulfill Nebraska's need for affordable workforce, senior and special needs housing.

LB348 charges the county assessor, when utilizing the income approach calculation, to utilize the capitalization rate provided by the Nebraska Investment Finance Authority. The Nebraska Investment Finance Authority shall determine the capitalization rate on an annual basis and provide the same to the county assessor.

LB348 is modeled after Iowa's approach to property taxation of affordable housing developments.

Principal Introducer: _____

Senator Burke Harr