

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1212**

Introduced by Hansen, B., 16.

Read first time January 23, 2020

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
- 2 77-1601 and 77-1776, Reissue Revised Statutes of Nebraska, and
- 3 section 77-1601.02, Revised Statutes Supplement, 2019; to adopt the
- 4 Property Tax Request Act; to harmonize provisions; and to repeal the
- 5 original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-1601, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 77-1601 (1) The county board of equalization shall each year, on or  
4 before October 15, levy the necessary taxes for the current year if  
5 within the limit of the law. The levy shall include an amount for  
6 operation of all functions of county government and shall also include  
7 all levies necessary to fund tax requests certified under the Property  
8 Tax Request Act ~~section 77-1601.02~~ that are authorized as provided in  
9 sections 77-3442 to 77-3444.

10 (2) On or before November 5, the county board of equalization upon  
11 its own motion may act to correct a clerical error which has resulted in  
12 the calculation of an incorrect levy by any political subdivision ~~entity~~  
13 otherwise authorized to certify a tax request under the Property Tax  
14 Request Act ~~section 77-1601.02~~. The county board of equalization shall  
15 hold a public hearing to determine what adjustment to the levy is proper,  
16 legal, or necessary. Notice shall be provided to the governing body of  
17 each political subdivision affected by the error. Notice of the hearing  
18 as required by section 84-1411 shall include the following: (a) The time  
19 and place of the hearing, (b) the dollar amount at issue, and (c) a  
20 statement setting forth the nature of the error.

21 (3) Upon the conclusion of the hearing, the county board of  
22 equalization shall issue a corrected levy if it determines that an error  
23 was made in the original levy which warrants correction. The county board  
24 of equalization shall then order (a) the county assessor, county clerk,  
25 and county treasurer to revise assessment books, unit valuation ledgers,  
26 tax statements, and any other tax records to reflect the correction made  
27 and (b) the recertification of the information provided to the Property  
28 Tax Administrator pursuant to section 77-1613.01.

29 Sec. 2. Sections 2 to 6 of this act shall be known and may be cited  
30 as the Property Tax Request Act.

31 Sec. 3. For purposes of the Property Tax Request Act:

1       (1) Political subdivision means any county, city, village, school  
2 district, learning community, sanitary and improvement district, natural  
3 resources district, educational service unit, or community college; and

4       (2) Property tax request means the total amount of property taxes  
5 requested to be raised for a political subdivision through the levy  
6 imposed pursuant to section 77-1601.

7       Sec. 4. Section 77-1601.02, Revised Statutes Supplement, 2019, is  
8 amended to read:

9       ~~77-1601.02~~ (1) If the annual assessment of property would result in  
10 an increase in the total property taxes levied by a political subdivision  
11 ~~county, municipality, school district, learning community, sanitary and~~  
12 ~~improvement district, natural resources district, educational service~~  
13 ~~unit, or community college~~, as determined using the previous year's rate  
14 of levy, such political subdivision's property tax request for the  
15 current year shall be no more than its property tax request in the prior  
16 year, and the political subdivision's rate of levy for the current year  
17 shall be decreased accordingly when such rate is set by the county board  
18 of equalization pursuant to section 77-1601. The governing body of the  
19 political subdivision shall pass a resolution or ordinance to set the  
20 amount of its property tax request after holding the public hearing  
21 required in subsection (3) of this section. If the governing body of a  
22 political subdivision seeks to set its property tax request at an amount  
23 that exceeds its property tax request in the prior year, it may do so  
24 after complying with the requirements of section 5 of this act holding  
25 ~~the public hearing required in subsection (3) of this section and by~~  
26 ~~passing a resolution or ordinance that complies with subsection (4) of~~  
27 ~~this section.~~

28       (2) If the annual assessment of property would result in no change  
29 or a decrease in the total property taxes levied by a political  
30 subdivision ~~county, municipality, school district, learning community,~~  
31 ~~sanitary and improvement district, natural resources district,~~

1 ~~educational service unit, or community college~~, as determined using the  
2 previous year's rate of levy, such political subdivision's property tax  
3 request for the current year shall be no more than its property tax  
4 request in the prior year, and the political subdivision's rate of levy  
5 for the current year shall be adjusted accordingly when such rate is set  
6 by the county board of equalization pursuant to section 77-1601. The  
7 governing body of the political subdivision shall pass a resolution or  
8 ordinance to set the amount of its property tax request after holding the  
9 public hearing required in subsection (3) of this section. If the  
10 governing body of a political subdivision seeks to set its property tax  
11 request at an amount that exceeds its property tax request in the prior  
12 year, it may do so after complying with the requirements of section 5 of  
13 this act ~~holding the public hearing required in subsection (3) of this~~  
14 ~~section and by passing a resolution or ordinance that complies with~~  
15 ~~subsection (4) of this section.~~

16 (3) The resolution or ordinance required under this section shall  
17 only be passed after a special public hearing called for such purpose is  
18 held and after notice is published in a newspaper of general circulation  
19 in the area of the political subdivision at least four calendar days  
20 prior to the hearing. For purposes of such notice, the four calendar days  
21 shall include the day of publication but not the day of hearing. If the  
22 political subdivision's total operating budget, not including reserves,  
23 does not exceed ten thousand dollars per year or twenty thousand dollars  
24 per biennial period, the notice may be posted at the governing body's  
25 principal headquarters. The hearing notice shall contain the following  
26 information: The certified taxable valuation under section 13-509 for the  
27 prior year, the certified taxable valuation under section 13-509 for the  
28 current year, and the percentage increase or decrease in such valuations  
29 from the prior year to the current year; the dollar amount of the prior  
30 year's tax request and the property tax rate that was necessary to fund  
31 that tax request; the property tax rate that would be necessary to fund

1 last year's tax request if applied to the current year's valuation; the  
2 proposed dollar amount of the tax request for the current year and the  
3 property tax rate that will be necessary to fund that tax request; the  
4 percentage increase or decrease in the property tax rate from the prior  
5 year to the current year; and the percentage increase or decrease in the  
6 total operating budget from the prior year to the current year.

7 ~~(4) Any resolution or ordinance setting a political subdivision's~~  
8 ~~property tax request at an amount that exceeds the political~~  
9 ~~subdivision's property tax request in the prior year shall include, but~~  
10 ~~not be limited to, the following information:~~

11 ~~(a) The name of the political subdivision;~~

12 ~~(b) The amount of the property tax request;~~

13 ~~(c) The following statements:~~

14 ~~(i) The total assessed value of property differs from last year's~~  
15 ~~total assessed value by ..... percent;~~

16 ~~(ii) The tax rate which would levy the same amount of property taxes~~  
17 ~~as last year, when multiplied by the new total assessed value of~~  
18 ~~property, would be \$..... per \$100 of assessed value;~~

19 ~~(iii) The (name of political subdivision) proposes to adopt a~~  
20 ~~property tax request that will cause its tax rate to be \$..... per \$100~~  
21 ~~of assessed value; and~~

22 ~~(iv) Based on the proposed property tax request and changes in other~~  
23 ~~revenue, the total operating budget of (name of political subdivision)~~  
24 ~~will exceed last year's by ..... percent; and~~

25 ~~(d) The record vote of the governing body in passing such resolution~~  
26 ~~or ordinance.~~

27 (4) ~~(5)~~ Any resolution or ordinance setting a property tax request  
28 under this section shall be certified and forwarded to the county clerk  
29 on or before October 13 of the year for which the tax request is to  
30 apply.

31 ~~(6) Any levy which is not in compliance with this section and~~

1 ~~section 77-1601 shall be construed as an unauthorized levy under section~~  
2 ~~77-1606.~~

3 Sec. 5. (1) A political subdivision may set its property tax  
4 request at an amount that exceeds its property tax request in the prior  
5 year if:

6 (a) The governing body of such political subdivision holds a public  
7 hearing and provides notice of such hearing in compliance with subsection  
8 (2) of this section; and

9 (b) The governing body of such political subdivision passes a  
10 resolution or an ordinance that complies with subsection (3) of this  
11 section.

12 (2)(a) The public hearing required under this section shall be held  
13 at a meeting of the political subdivision with no items on the agenda  
14 other than:

15 (i) Discussion and action on the political subdivision's intent to  
16 approve a property tax request that exceeds the political subdivision's  
17 property tax request in the prior year; and

18 (ii) The political subdivision's budget.

19 (b) The governing body conducting the public hearing shall provide  
20 interested parties desiring to be heard an opportunity to present oral  
21 testimony:

22 (i) Within reasonable time limits; and

23 (ii) Without unreasonable restriction on the number of individuals  
24 allowed to make public comment.

25 (c) A political subdivision shall not schedule a public hearing  
26 under this section at the same time as the public hearing of another  
27 political subdivision in the same county.

28 (d) A political subdivision shall hold the public hearing required  
29 under this section beginning at or after 6 p.m. If a political  
30 subdivision holds a public meeting for the purpose of addressing general  
31 business of the political subdivision on the same date as a public

1 hearing required under this section, the public meeting addressing  
2 general business items shall conclude before the beginning of the public  
3 hearing required under this section.

4 (e) Subject to subdivision (2)(g) of this section, notice of the  
5 hearing shall be published in a newspaper or combination of newspapers of  
6 general circulation in the political subdivision. The notice shall:

7 (i) Be no less than one-fourth page in size;

8 (ii) Use type no smaller than eighteen point;

9 (iii) Be surrounded by a one-fourth inch border;

10 (iv) Be run once each week for the two weeks before the political  
11 subdivision conducts the public hearing; and

12 (v) State that the political subdivision will meet on a certain day,  
13 time, and place fixed in the notice, which shall be seven or more days  
14 after the day of the first publication, for the purpose of hearing  
15 comments regarding the proposed increase in the property tax request over  
16 the amount from the prior year.

17 (f) The notice shall not be placed in that portion of the newspaper  
18 where legal notices and classified advertisements appear.

19 (g) It is the intent of the Legislature that:

20 (i) Whenever possible, the notice shall appear in a newspaper that  
21 is published at least one day per week; and

22 (ii) The newspaper or combination of newspapers selected shall:

23 (A) Be of general interest and readership in the political  
24 subdivision; and

25 (B) Not be of limited subject matter.

26 (h) For purposes of this section, the form and content of the notice  
27 shall be substantially as follows:

28 NOTICE OF PROPOSED TAX INCREASE

29 (NAME OF POLITICAL SUBDIVISION)

30 The (name of political subdivision) is proposing to increase its  
31 property tax revenue.



1        (iii) The (name of political subdivision) proposes to adopt a  
2 property tax request that will cause its tax rate to be \$..... per \$100  
3 of assessed value; and

4        (iv) Based on the proposed property tax request and changes in other  
5 revenue, the total operating budget of (name of political subdivision)  
6 will exceed last year's by ..... percent; and

7        (d) The record vote of the governing body in passing such resolution  
8 or ordinance.

9        (4) Any resolution or ordinance setting a property tax request under  
10 this section shall be certified and forwarded to the county clerk on or  
11 before October 13 of the year for which the tax request is to apply.

12        Sec. 6. Any levy which is not in compliance with the Property Tax  
13 Request Act and section 77-1601 shall be construed as an unauthorized  
14 levy under section 77-1606.

15        Sec. 7. Section 77-1776, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17        77-1776 Any political subdivision which has received proceeds from a  
18 levy imposed on all taxable property within an entire county which is in  
19 excess of that requested by the political subdivision under the Property  
20 Tax Request Act ~~section 77-1601.02~~ as a result of a clerical error or  
21 mistake shall, in the fiscal year following receipt, return the excess  
22 tax collections, net of the collection fee, to the county. By July 31 of  
23 the fiscal year following the receipt of any excess tax collections, the  
24 county treasurer shall certify to the political subdivision the amount to  
25 be returned. Such excess tax collections shall be restricted funds in the  
26 budget of the county that receives the funds under section 13-518.

27        Sec. 8. Original sections 77-1601 and 77-1776, Reissue Revised  
28 Statutes of Nebraska, and section 77-1601.02, Revised Statutes  
29 Supplement, 2019, are repealed.