

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 930

Introduced by Briese, 41.

Read first time January 10, 2020

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-4212, Reissue Revised Statutes of Nebraska; to require a minimum
- 3 amount of tax relief under the Property Tax Credit Act; and to
- 4 repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-4212, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 77-4212 (1) For tax year 2007, the amount of relief granted under
4 the Property Tax Credit Act shall be one hundred five million dollars.
5 For tax year 2008, the amount of relief granted under the act shall be
6 one hundred fifteen million dollars. It is the intent of the Legislature
7 to fund the Property Tax Credit Act for tax years after tax year 2008
8 using available revenue. For tax year 2017, the amount of relief granted
9 under the act shall be two hundred twenty-four million dollars. For tax
10 year 2020 and each tax year thereafter, the minimum amount of relief
11 granted under the act shall be two hundred seventy-five million dollars.
12 If money is transferred or credited to the Property Tax Credit Cash Fund
13 pursuant to any other state law, such amount shall be added to the
14 minimum amount required under this subsection when determining the total
15 amount of relief granted under the act. The relief shall be in the form
16 of a property tax credit which appears on the property tax statement.

17 (2)(a) For tax years prior to tax year 2017, to determine the amount
18 of the property tax credit, the county treasurer shall multiply the
19 amount disbursed to the county under subdivision (4)(a) of this section
20 by the ratio of the real property valuation of the parcel to the total
21 real property valuation in the county. The amount determined shall be the
22 property tax credit for the property.

23 (b) Beginning with tax year 2017, to determine the amount of the
24 property tax credit, the county treasurer shall multiply the amount
25 disbursed to the county under subdivision (4)(b) of this section by the
26 ratio of the credit allocation valuation of the parcel to the total
27 credit allocation valuation in the county. The amount determined shall be
28 the property tax credit for the property.

29 (3) If the real property owner qualifies for a homestead exemption
30 under sections 77-3501 to 77-3529, the owner shall also be qualified for
31 the relief provided in the act to the extent of any remaining liability

1 after calculation of the relief provided by the homestead exemption. If
2 the credit results in a property tax liability on the homestead that is
3 less than zero, the amount of the credit which cannot be used by the
4 taxpayer shall be returned to the State Treasurer by July 1 of the year
5 the amount disbursed to the county was disbursed. The State Treasurer
6 shall immediately credit any funds returned under this subsection to the
7 Property Tax Credit Cash Fund. Upon the return of any funds under this
8 subsection, the county treasurer shall electronically file a report with
9 the Property Tax Administrator, on a form prescribed by the Tax
10 Commissioner, indicating the amount of funds distributed to each taxing
11 unit in the county in the year the funds were returned, any collection
12 fee retained by the county in such year, and the amount of unused credits
13 returned.

14 (4)(a) For tax years prior to tax year 2017, the amount disbursed to
15 each county shall be equal to the amount available for disbursement
16 determined under subsection (1) of this section multiplied by the ratio
17 of the real property valuation in the county to the real property
18 valuation in the state. By September 15, the Property Tax Administrator
19 shall determine the amount to be disbursed under this subdivision to each
20 county and certify such amounts to the State Treasurer and to each
21 county. The disbursements to the counties shall occur in two equal
22 payments, the first on or before January 31 and the second on or before
23 April 1. After retaining one percent of the receipts for costs, the
24 county treasurer shall allocate the remaining receipts to each taxing
25 unit levying taxes on taxable property in the tax district in which the
26 real property is located in the same proportion that the levy of such
27 taxing unit bears to the total levy on taxable property of all the taxing
28 units in the tax district in which the real property is located.

29 (b) Beginning with tax year 2017, the amount disbursed to each
30 county shall be equal to the amount available for disbursement determined
31 under subsection (1) of this section multiplied by the ratio of the

1 credit allocation valuation in the county to the credit allocation
2 valuation in the state. By September 15, the Property Tax Administrator
3 shall determine the amount to be disbursed under this subdivision to each
4 county and certify such amounts to the State Treasurer and to each
5 county. The disbursements to the counties shall occur in two equal
6 payments, the first on or before January 31 and the second on or before
7 April 1. After retaining one percent of the receipts for costs, the
8 county treasurer shall allocate the remaining receipts to each taxing
9 unit based on its share of the credits granted to all taxpayers in the
10 taxing unit.

11 (5) For purposes of this section, credit allocation valuation means
12 the taxable value for all real property except agricultural land and
13 horticultural land, one hundred twenty percent of taxable value for
14 agricultural land and horticultural land that is not subject to special
15 valuation, and one hundred twenty percent of taxable value for
16 agricultural land and horticultural land that is subject to special
17 valuation.

18 (6) The State Treasurer shall transfer from the General Fund to the
19 Property Tax Credit Cash Fund one hundred five million dollars by August
20 1, 2007, and one hundred fifteen million dollars by August 1, 2008.

21 (7) The Legislature shall have the power to transfer funds from the
22 Property Tax Credit Cash Fund to the General Fund.

23 Sec. 2. Original section 77-4212, Reissue Revised Statutes of
24 Nebraska, is repealed.