

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 995**

Introduced by Linehan, 39.

Read first time January 12, 2022

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-3523, Revised Statutes Supplement, 2021; to limit the total
- 3 amount reimbursed by the state for homestead exemptions; to
- 4 harmonize provisions; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-3523, Revised Statutes Supplement, 2021, is  
2 amended to read:

3 77-3523 (1) The county treasurer and county assessor shall, on or  
4 before November 30 of each year, certify to the Tax Commissioner the  
5 total tax revenue that will be lost to all taxing agencies within the  
6 county from taxes levied and assessed in that year because of exemptions  
7 allowed under sections 77-3501 to 77-3529. The county treasurer and  
8 county assessor may amend the certification to show any change or  
9 correction in the total tax that will be lost until May 30 of the next  
10 succeeding year. If a homestead exemption is approved, denied, or  
11 corrected by the Tax Commissioner under subsection (2) of section 77-3517  
12 after May 1 of the next year, the county treasurer and county assessor  
13 shall prepare and submit amended reports to the Tax Commissioner and the  
14 political subdivisions covering any affected year and shall adjust the  
15 reimbursement to the county and the other political subdivisions by  
16 adjusting the reimbursement due under this section in later years.

17 (2)(a) The Tax Commissioner shall, on or before January 1 next  
18 following such certification or within thirty days of any amendment to  
19 the certification, notify the Director of Administrative Services of the  
20 amount ~~so certified~~ to be reimbursed by the state. The state shall  
21 reimburse the full amount certified from each county except as otherwise  
22 provided in subdivision (2)(b) of this section.

23 (b) The total amount to be reimbursed by the state under this  
24 section for any year shall not exceed one hundred million dollars. If the  
25 total amount certified from all counties exceeds one hundred million  
26 dollars, the Tax Commissioner shall proportionately reduce the amount to  
27 be reimbursed to each county so that the limit is not exceeded.

28 (3) Reimbursement of the amount determined under subsection (2) of  
29 this section ~~funds lost~~ shall be made to each county ~~according to the~~  
30 ~~certification~~ and shall be distributed in six as nearly as possible equal  
31 monthly payments on the last business day of each month beginning in

1 January. The Director of Administrative Services shall, on the last  
2 business day of each month, issue payments by electronic funds transfer.  
3 Out of the amount so received the county treasurer shall distribute to  
4 each of the taxing agencies within his or her county such agency's  
5 proportionate share of the amount received by the county ~~the full amount~~  
6 ~~so lost by such agency~~, except that one percent of the such amount to be  
7 distributed to each taxing agency shall be deposited in the county  
8 general fund and that the amount due a Class V school district shall be  
9 paid to the district and the county shall be compensated pursuant to  
10 section 14-554. Each taxing agency's proportionate share shall be based  
11 on the amount of tax revenue lost by the taxing agency. Each taxing  
12 agency shall, in preparing its annual or biennial budget, take into  
13 account the amount to be received under this section.

14       Sec. 2. Original section 77-3523, Revised Statutes Supplement,  
15 2021, is repealed.