

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 243**

Introduced by Briese, 41.

Read first time January 10, 2023

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the Property Tax Credit Act; to amend
- 2 section 77-4212, Revised Statutes Cumulative Supplement, 2022; to
- 3 change the minimum amount of relief granted; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-4212, Revised Statutes Cumulative Supplement,  
2 2022, is 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 through tax year 2023 ~~2020 and each tax year thereafter~~, the  
11 minimum amount of relief granted under the act shall be two hundred  
12 seventy-five million dollars. For tax year 2024 and each tax year  
13 thereafter, the minimum amount of relief granted under the act shall be  
14 seven hundred million dollars plus a percentage increase equal to the  
15 percentage increase, if any, in the total assessed value of all real  
16 property in the state from the prior year to the current year, as  
17 determined by the Department of Revenue. If money is transferred or  
18 credited to the Property Tax Credit Cash Fund pursuant to any other state  
19 law, such amount shall be added to the minimum amount required under this  
20 subsection when determining the total amount of relief granted under the  
21 act. The relief shall be in the form of a property tax credit which  
22 appears on the property tax statement.

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

29 (b) Beginning with tax year 2017, to determine the amount of the  
30 property tax credit, the county treasurer shall multiply the amount  
31 disbursed to the county under subdivision (4)(b) of this section by the

1 ratio of the credit allocation valuation of the parcel to the total  
2 credit allocation valuation in the county. The amount determined shall be  
3 the property tax credit for the property.

4 (3) If the real property owner qualifies for a homestead exemption  
5 under sections 77-3501 to 77-3529, the owner shall also be qualified for  
6 the relief provided in the act to the extent of any remaining liability  
7 after calculation of the relief provided by the homestead exemption. If  
8 the credit results in a property tax liability on the homestead that is  
9 less than zero, the amount of the credit which cannot be used by the  
10 taxpayer shall be returned to the Property Tax Administrator by July 1 of  
11 the year the amount disbursed to the county was disbursed. The Property  
12 Tax Administrator shall immediately credit any funds returned under this  
13 subsection to the Property Tax Credit Cash Fund. Upon the return of any  
14 funds under this subsection, the county treasurer shall electronically  
15 file a report with the Property Tax Administrator, on a form prescribed  
16 by the Tax Commissioner, indicating the amount of funds distributed to  
17 each taxing unit in the county in the year the funds were returned, any  
18 collection fee retained by the county in such year, and the amount of  
19 unused credits returned.

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

1 real property is located in the same proportion that the levy of such  
2 taxing unit bears to the total levy on taxable property of all the taxing  
3 units in the tax district in which the real property is located.

4 (b) Beginning with tax year 2017, the amount disbursed to each  
5 county shall be equal to the amount available for disbursement determined  
6 under subsection (1) of this section multiplied by the ratio of the  
7 credit allocation valuation in the county to the credit allocation  
8 valuation in the state. By September 15, the Property Tax Administrator  
9 shall determine the amount to be disbursed under this subdivision to each  
10 county and certify such amounts to the State Treasurer and to each  
11 county. The disbursements to the counties shall occur in two equal  
12 payments, the first on or before January 31 and the second on or before  
13 April 1. After retaining one percent of the receipts for costs, the  
14 county treasurer shall allocate the remaining receipts to each taxing  
15 unit based on its share of the credits granted to all taxpayers in the  
16 taxing unit.

17 (5) For purposes of this section, credit allocation valuation means  
18 the taxable value for all real property except agricultural land and  
19 horticultural land, one hundred twenty percent of taxable value for  
20 agricultural land and horticultural land that is not subject to special  
21 valuation, and one hundred twenty percent of taxable value for  
22 agricultural land and horticultural land that is subject to special  
23 valuation.

24 (6) The State Treasurer shall transfer from the General Fund to the  
25 Property Tax Credit Cash Fund one hundred five million dollars by August  
26 1, 2007, and one hundred fifteen million dollars by August 1, 2008.

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

29 Sec. 2. Original section 77-4212, Revised Statutes Cumulative  
30 Supplement, 2022, is repealed.