

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1021

Introduced by Ibach, 44.

Read first time January 13, 2026

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-6203, Revised Statutes Cumulative Supplement, 2024, and section
- 3 77-6204, Revised Statutes Supplement, 2025; to change provisions
- 4 related to penalties, proceeds, and distributed revenue of the
- 5 nameplate capacity tax; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 77-6203, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 77-6203 (1) The owner of a renewable energy generation facility
4 annually shall pay a nameplate capacity tax equal to the total nameplate
5 capacity of the commissioned renewable energy generation facility
6 multiplied by a tax rate of three thousand five hundred eighteen dollars
7 per megawatt.

8 (2) No tax shall be imposed on a renewable energy generation
9 facility:

10 (a) Owned or operated by the federal government, the State of
11 Nebraska, a public power district, a public power and irrigation
12 district, an individual municipality, a registered group of
13 municipalities, an electric membership association, or a cooperative; or

14 (b) That is a customer-generator as defined in section 70-2002.

15 (3) No tax levied pursuant to this section shall be construed to
16 constitute restricted funds as defined in section 13-518 for the first
17 five years after the renewable energy generation facility is
18 commissioned.

19 (4) The presence of one or more renewable energy generation
20 facilities or supporting infrastructure shall not be a factor in the
21 assessment, determination of actual value, or classification under
22 section 77-201 of the real property underlying or adjacent to such
23 facilities or infrastructure.

24 (5)(a) The Department of Revenue shall collect the tax due under
25 this section.

26 (b) The tax shall be imposed beginning the first calendar year the
27 renewable energy generation facility is commissioned. A renewable energy
28 generation facility that uses wind as the fuel source which was
29 commissioned prior to July 15, 2010, shall be subject to the tax levied
30 pursuant to sections 77-6201 to 77-6204 on and after January 1, 2010. The
31 amount of property tax on depreciable tangible personal property

1 previously paid on a renewable energy generation facility that uses wind
2 as the fuel source which was commissioned prior to July 15, 2010, which
3 is greater than the amount that would have been paid pursuant to sections
4 77-6201 to 77-6204 from the date of commissioning until January 1, 2010,
5 shall be credited against any tax due under Chapter 77, and any amount so
6 credited that is unused in any tax year shall be carried over to
7 subsequent tax years until fully utilized.

8 (c)(i) The tax for the first calendar year shall be prorated based
9 upon the number of days remaining in the calendar year after the
10 renewable energy generation facility is commissioned.

11 (ii) In the first year in which a renewable energy generation
12 facility is taxed or in any year in which additional commissioned
13 nameplate capacity is added to a renewable energy generation facility,
14 the taxes on the initial or additional nameplate capacity shall be
15 prorated for the number of days remaining in the calendar year.

16 (iii) When a renewable energy generation facility is decommissioned
17 or made nonoperational by a change in law during a tax year, the taxes
18 shall be prorated for the number of days during which the renewable
19 energy generation facility was not decommissioned or was operational.

20 (iv) When the capacity of a renewable energy generation facility to
21 produce electricity is reduced but the renewable energy generation
22 facility is not decommissioned, the nameplate capacity of the renewable
23 energy generation facility is deemed to be unchanged.

24 (6)(a) On March 1 of each year, the owner of a renewable energy
25 generation facility shall file with the Department of Revenue a report on
26 the nameplate capacity of the facility for the previous year from January
27 1 through December 31. All taxes shall be due on April 1 and shall be
28 delinquent if not paid on a quarterly basis on April 1 and each quarter
29 thereafter. Delinquent quarterly payments shall draw interest at the rate
30 provided for in section 45-104.02, as such rate may from time to time be
31 adjusted.

1 (b) The owner of a renewable energy generation facility is liable
2 for the taxes under this section with respect to the facility, whether or
3 not the owner of the facility is the owner of the land on which the
4 facility is situated.

5 (7) Failure to file a report required by subsection (6) of this
6 section, filing such report late, failure to pay taxes due, or
7 underpayment of such taxes shall result in a penalty of five percent of
8 the amount due being imposed for each quarter the report is overdue or
9 the payment is delinquent, except that the penalty shall not exceed ten
10 thousand dollars. Beginning January 1, 2027, such penalty shall be
11 collected by the Tax Commissioner and credited to the Department of
12 Revenue Property Assessment Division Cash Fund.

13 (8) The Department of Revenue shall enforce the provisions of this
14 section. The department may adopt and promulgate rules and regulations
15 necessary for the implementation and enforcement of this section.

16 (9) The Department of Revenue shall separately identify the proceeds
17 from the tax, interest, and penalties imposed by this section, shall
18 retain three percent of such proceeds for the costs of the administration
19 of sections 77-6201 to 77-6204, and shall pay all remaining such proceeds
20 over to the county treasurer of the county where the renewable energy
21 generation facility is located within thirty days after receipt of such
22 proceeds.

23 **Sec. 2.** Section 77-6204, Revised Statutes Supplement, 2025, is
24 amended to read:

25 77-6204 (1) The county treasurer shall distribute all revenue
26 received from the Department of Revenue pursuant to section 77-6203 as
27 follows:

28 (a) Five percent of such revenue shall be distributed to the
29 community college area in which the renewable energy generation facility
30 is located; and

31 (b) The remainder of such revenue shall be distributed to local

1 taxing entities which, but for such personal property tax exemption,
2 would have received distribution of personal property tax revenue from
3 depreciable personal property used directly in the generation of
4 electricity using wind, solar, biomass, or landfill gas as the fuel
5 source.

6 (2) A local taxing entity's status as eligible for distribution
7 under subdivision (1)(b) of this section shall not be affected when and
8 if the net book value of personal property used directly in the
9 generation of electricity using wind, solar, biomass, or landfill gas as
10 the fuel source becomes zero. A local taxing entity's status as eligible
11 for distribution under such subdivision shall be affected by the disposal
12 of all of the exempt depreciable personal property used directly in the
13 generation of electricity using wind, solar, biomass, or landfill gas as
14 the fuel source.

15 (3) The distribution to each eligible local taxing entity under
16 subdivision (1)(b) of this section shall be calculated by determining the
17 amount of taxes that the eligible local taxing entity levied during the
18 taxable year and dividing this amount by the total tax levied by all of
19 the eligible local taxing entities during the year. Each eligible
20 entity's resulting fraction shall then be multiplied by the amount of
21 revenue available for distribution pursuant to subdivision (1)(b) of this
22 section to determine the portion of such revenue due each local taxing
23 entity.

24 (4) Counties shall not retain any revenue collected pursuant to
25 sections 77-6201 to 77-6204 for the costs of the administration of
26 sections 77-6201 to 77-6204.

27 ~~(4) The Department of Revenue shall not retain any revenue collected~~
28 ~~pursuant to sections 77-6201 to 77-6204 for distribution, use, transfer,~~
29 ~~pledge, or allocation to or from the General Fund.~~

30 **Sec. 3.** Original section 77-6203, Revised Statutes Cumulative
31 Supplement, 2024, and section 77-6204, Revised Statutes Supplement, 2025,

1 are repealed.