

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 990

Introduced by Dover, 19; Armendariz, 18; Bosn, 25; Bostar, 29; Brandt, 32; Cavanaugh, M., 6; Clouse, 37; Conrad, 46; DeKay, 40; Dorn, 30; Hansen, 16; Holdcroft, 36; Lippincott, 34; Lonowski, 33; McKeon, 41; Prokop, 27; Quick, 35; Rountree, 3; Sanders, 45.

Read first time January 13, 2026

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
2 77-7301, 77-7302, and 77-7303, Revised Statutes Cumulative
3 Supplement, 2024, and sections 77-4602, 77-7304, and 77-7305,
4 Revised Statutes Supplement, 2025; to rename the School District
5 Property Tax Relief Act as the Live Here Thrive Here Act and the
6 School District Property Tax Relief Credit Fund as the Live Here
7 Thrive Here Credit Fund; to define a term and change the
8 distribution of property tax credits under the School District
9 Property Tax Relief Act; to harmonize provisions; and to repeal the
10 original sections.
11 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 77-4602, Revised Statutes Supplement, 2025, is
2 amended to read:

3 77-4602 (1) Within fifteen days after the end of each month, the Tax
4 Commissioner shall provide a public statement of actual General Fund net
5 receipts, a comparison of such actual net receipts to the monthly
6 estimated net receipts from the most recent forecast provided by the
7 Nebraska Economic Forecasting Advisory Board pursuant to section
8 77-27,158, and a comparison of such actual net receipts to the monthly
9 actual net receipts for the same month of the previous fiscal year.

10 (2) Within fifteen days after the end of each fiscal year, the
11 public statement shall also include (a) a summary of actual General Fund
12 net receipts and estimated General Fund net receipts for the fiscal year
13 as certified pursuant to sections 77-4601 and 77-4603 and (b) a
14 comparison of the actual General Fund net receipts for the fiscal year to
15 the actual General Fund net receipts for the previous fiscal year.

16 (3)(a) Within fifteen days after the end of each fiscal year, the
17 Tax Commissioner shall determine:

18 (i) Actual General Fund net receipts for the most recently completed
19 fiscal year minus estimated General Fund net receipts for such fiscal
20 year as certified pursuant to sections 77-4601 and 77-4603; and

21 (ii) Actual General Fund net receipts for the most recently
22 completed fiscal year minus one hundred three percent of actual General
23 Fund net receipts for the prior fiscal year.

24 (b) If the amount calculated in subdivision (3)(a)(i) of this
25 section is a positive number and the amount calculated in subdivision (3)
26 (a)(ii) of this section is a negative number, the Tax Commissioner shall
27 certify the amount calculated in subdivision (3)(a)(i) of this section to
28 the State Treasurer. The State Treasurer shall transfer such certified
29 amount to the Cash Reserve Fund.

30 (c) If the amounts calculated in subdivisions (3)(a)(i) and (3)(a)
31 (ii) of this section are both positive numbers and the amount calculated

1 in subdivision (3)(a)(i) of this section exceeds the amount calculated in
2 subdivision (3)(a)(ii) of this section, the Tax Commissioner shall
3 certify the amounts calculated in subdivisions (3)(a)(i) and (3)(a)(ii)
4 of this section to the State Treasurer. The State Treasurer shall
5 transfer the difference between the two certified numbers to the Cash
6 Reserve Fund. The State Treasurer shall transfer the amount certified for
7 subdivision (3)(a)(ii) of this section to the Live Here Thrive Here
8 ~~School District Property Tax Relief~~ Credit Fund.

9 (d) If the amounts calculated in subdivisions (3)(a)(i) and (3)(a)
10 (ii) of this section are both positive numbers and the amount calculated
11 in subdivision (3)(a)(i) of this section is less than the amount
12 calculated in subdivision (3)(a)(ii) of this section, the Tax
13 Commissioner shall certify the amount calculated in subdivision (3)(a)(i)
14 of this section to the State Treasurer. The State Treasurer shall
15 transfer such certified amount to the Live Here Thrive Here ~~School~~
16 ~~District Property Tax Relief~~ Credit Fund.

17 **Sec. 2.** Section 77-7301, Revised Statutes Cumulative Supplement,
18 2024, is amended to read:

19 77-7301 Sections 77-7301 to 77-7305 shall be known and may be cited
20 as the Live Here Thrive Here ~~School District Property Tax Relief~~ Act.

21 **Sec. 3.** Section 77-7302, Revised Statutes Cumulative Supplement,
22 2024, is amended to read:

23 77-7302 The purpose of the Live Here Thrive Here ~~School District~~
24 ~~Property Tax Relief~~ Act is to provide property tax relief for property
25 taxes levied against real property by school districts. The property tax
26 relief will be made to owners of real property in the form of a property
27 tax credit.

28 **Sec. 4.** Section 77-7303, Revised Statutes Cumulative Supplement,
29 2024, is amended to read:

30 77-7303 For purposes of the Live Here Thrive Here ~~School District~~
31 ~~Property Tax Relief~~ Act:

1 (1) Resident individual has the same meaning as in section
2 77-2714.01;

3 (2) {1} School district has the same meaning as in section 79-101;
4 and

5 (3) {2} School district taxes means property taxes levied on real
6 property in this state by a school district or multiple-district school
7 system, excluding any property taxes levied for bonded indebtedness and
8 any property taxes levied as a result of an override of limits on
9 property tax levies approved by voters pursuant to section 77-3444.

10 **Sec. 5.** Section 77-7304, Revised Statutes Supplement, 2025, is
11 amended to read:

12 77-7304 (1) The Live Here Thrive Here School District Property Tax
13 Relief Credit Fund is created. The fund shall only be used pursuant to
14 the Live Here Thrive Here School District Property Tax Relief Act. Any
15 money in the fund available for investment shall be invested by the state
16 investment officer pursuant to the Nebraska Capital Expansion Act and the
17 Nebraska State Funds Investment Act.

18 (2)(a) The State Treasurer shall transfer seven hundred fifty
19 million dollars from the General Fund to the Live Here Thrive Here School
20 District Property Tax Relief Credit Fund in fiscal year 2024-25, on such
21 dates and in such amounts as directed by the budget administrator of the
22 budget division of the Department of Administrative Services.

23 (b) Beginning in fiscal year 2025-26, it is the intent of the
24 Legislature that an amount sufficient to provide the amount of property
25 tax relief required by subdivision (1)(a) of section 77-7305 for each tax
26 year be transferred from the General Fund to the Live Here Thrive Here
27 School District Property Tax Relief Credit Fund.

28 **Sec. 6.** Section 77-7305, Revised Statutes Supplement, 2025, is
29 amended to read:

30 77-7305 (1) The Live Here Thrive Here School District Property Tax
31 Relief Act shall apply to tax year 2024 and each tax year thereafter. The

1 property tax relief shall be in the form of property tax credits which
2 appear on property tax statements. Property tax credits granted under the
3 act shall be credited against the amount of property taxes owed to school
4 districts. Beginning in tax year 2027 and for each tax year thereafter,
5 property tax credits granted under the act shall only be granted to real
6 property owners that are resident individuals. The total amount of
7 property tax relief granted under the act shall be determined as follows:

8 (a) For tax year 2024, the minimum amount of relief granted under
9 the act shall be seven hundred fifty million dollars. For tax year 2025,
10 the minimum amount of relief granted under the act shall be seven hundred
11 eighty million dollars. For tax year 2026, the minimum amount of relief
12 granted under the act shall be eight hundred eight million dollars. For
13 tax year 2027, the minimum amount of relief granted under the act shall
14 be eight hundred thirty-eight million dollars. For tax year 2028, the
15 minimum amount of relief granted under the act shall be eight hundred
16 seventy million dollars. For tax year 2029, the minimum amount of relief
17 granted under the act shall be nine hundred two million dollars. For tax
18 year 2030 and each tax year thereafter, the minimum amount of relief
19 granted under the act shall be the minimum amount of relief from the
20 prior year, excluding any additional relief provided pursuant to
21 subdivision (1)(b) of this section, with such amount then increased by
22 three percent; and

23 (b) If money is transferred to the Live Here Thrive Here School
24 District Property Tax Relief Credit Fund pursuant to section 77-4602,
25 such amount shall be added to the minimum amount required under
26 subdivision (1)(a) of this section when determining the total amount of
27 relief granted under the act for the tax year in which the transfer
28 occurs. If no such transfer occurs in a given tax year, the minimum
29 amount required under subdivision (1)(a) of this section shall be the
30 total amount of relief granted under the act for such tax year.

31 (2) To determine the amount of the property tax credit for each

1 parcel, the county treasurer shall multiply the amount disbursed to the
2 county under subsection (4) of this section by the ratio of the school
3 district taxes levied in the current year on the parcel to the school
4 district taxes levied in the current year on all real property in the
5 county. The amount so determined shall be the property tax credit for
6 that parcel.

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

23 (4) The amount disbursed to each county under this section shall be
24 equal to the amount available for disbursement under subsection (1) of
25 this section multiplied by the ratio of the school district taxes levied
26 in the prior year on all real property in the county to the school
27 district taxes levied in the prior year on all real property in the
28 state. By September 15, 2024, and by September 15 of each year
29 thereafter, the Property Tax Administrator shall determine the amount to
30 be disbursed under this subsection to each county and shall certify such
31 amounts to the State Treasurer and to each county. The disbursements to

1 the counties shall occur in two equal payments, the first on or before
2 January 31 and the second on or before April 1.

3 (5) After retaining one percent of the amount received under
4 subsection (4) of this section for costs, the county treasurer shall
5 disburse the remaining funds, which are credited against the amount of
6 property taxes owed to school districts, in the same manner as if such
7 funds had been received in the form of property tax payments for property
8 taxes owed to school districts, meaning any amounts attributable to
9 divided taxes pursuant to section 18-2147 of the Community Development
10 Law shall be remitted to the applicable authority for which such taxes
11 were divided.

12 (6) The Live Here Thrive Here School District Property Tax Relief
13 Credit Fund shall be used for purposes of making the disbursements to
14 counties required under subsection (4) of this section.

15 **Sec. 7.** Original sections 77-7301, 77-7302, and 77-7303, Revised
16 Statutes Cumulative Supplement, 2024, and sections 77-4602, 77-7304, and
17 77-7305, Revised Statutes Supplement, 2025, are repealed.