

ONE HUNDRED NINTH LEGISLATURE

FIRST SESSION

**LEGISLATIVE RESOLUTION 255**

Introduced by Andersen, 49; Bostar, 29; Dungan, 26; Ibach, 44; Kauth, 31;  
Sorrentino, 39.

PURPOSE: The purpose of this resolution is to propose an interim study to examine the fiscal, constitutional, and administrative implications of adopting Legislative Resolution 12CA, One Hundred Ninth Legislature, First Session, 2025, as amended by proposed amendment AM1101, which proposes significant reforms to Nebraska's property tax system and underlying constitutional language. The study shall include, but need not be limited to, an examination of the following:

(1) The fiscal and distributional impacts of capping the annual increase in property taxes levied on any parcel of real property by the allowable growth percentage, defined as the lesser of three percent or the Consumer Price Index for All Urban Consumers;

(2) The legal and constitutional implications of substituting the current uniform and proportional clause of Article VIII, section 1, of the Constitution of Nebraska, with a system that establishes full taxable value based on the 2025 assessed value or purchase price following a change of ownership;

(3) The practical challenges and administrative viability of implementing a static assessed value system for real property, including mechanisms for adjustment upon sale or new construction;

(4) The impact of such a system on taxpayer equity, particularly among similarly situated properties with different ownership timelines, and the resultant tax disparities;

(5) The implications of the proposed valuation structure on revenue predictability and budgeting processes for schools, counties, municipalities, and other local political subdivisions;

(6) The definition clarity and scope of terms, including, but not limited

to, "purchase", "change of ownership", and "new construction", and the exemption for spousal transfers;

(7) The comparative evaluation of similar models in other states, such as California's Proposition 13, Florida's Save Our Homes amendment, and Oklahoma's property tax limitations, and the lessons they may offer for Nebraska;

(8) The potential impact on housing affordability and accessibility for young people, first-time homebuyers, fixed-income homeowners, and individuals attempting to enter the housing market during a period of high home prices and limited supply;

(9) The effects on agricultural producers and rural landowners, particularly regarding the classification, valuation, and long-term tax obligations for farmland and horticultural property; and

(10) Stakeholder concerns and input from assessors, local governments, school districts, taxpayer advocacy organizations, and the Department of Revenue regarding feasibility and unintended consequences.

In conducting this interim study, the Revenue Committee may consult with legal experts, tax policy professionals, economists, state agencies, and relevant stakeholders to ensure a comprehensive evaluation of the proposed reforms.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED NINTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Revenue Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.