

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1326

FINAL READING

Introduced by Dungan, 26.

Read first time January 17, 2024

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the Nebraska Housing Agency Act; to amend
- 2 section 71-1590, Reissue Revised Statutes of Nebraska; to change a
- 3 tax and assessment provision; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 71-1590, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 71-1590 (1) The real and personal property of a local housing agency
4 and any ~~wholly owned~~ controlled affiliate thereof used solely (a) for the
5 administrative offices of the housing agency or ~~wholly owned~~ controlled
6 affiliate thereof, (b) to provide housing for persons of eligible income
7 and qualifying tenants, and (c) for appurtenances related to such housing
8 shall be exempt from all taxes and special assessments of any city, any
9 county, the state, or any public agency thereof, including without
10 limitation any special taxing district or similar political subdivision.
11 All other real and personal property of the housing agency or ~~wholly~~
12 ~~owned~~ controlled affiliate thereof shall be deemed to not be used for a
13 public purpose for purposes of section 77-202 and shall be taxable as
14 provided in sections 77-201 and 77-202.11. Property owned jointly by a
15 housing agency or its ~~wholly owned~~ controlled affiliates with other
16 nongovernmental persons or entities shall be exempt from such taxes and
17 assessments ~~to the extent of the ownership interest which the housing~~
18 ~~agency and its wholly owned controlled affiliates hold in the property~~
19 ~~and~~ to the extent the property is used solely to provide housing for
20 persons of eligible income and qualifying tenants. Such housing agency or
21 controlled affiliate shall provide notice of the exemption to the county
22 assessor of the county in which the property is located on or before
23 December 31 of the year preceding the year for which the exemption is
24 first sought. Nothing in this section shall be deemed to preclude a
25 housing agency and its ~~wholly owned~~ controlled affiliates from entering
26 into an agreement for the payment of all or any portion of any special
27 assessments which might otherwise be assessed except for the exemption
28 created by this section.

29 (2) A housing agency may agree to make payments in lieu of all taxes
30 or special assessments to the county within whose territorial
31 jurisdiction any development of such housing agency or its controlled

1 affiliates is located, for improvements, services, and facilities
2 furnished by the city, county, or other public agencies, for the benefit
3 of such development. Nothing contained in this section shall be deemed to
4 require such an agreement by a local housing agency, and in no event
5 shall the amounts payable by the housing agency exceed the amounts which,
6 except for the exemption provided in this section, would otherwise be
7 payable under regular taxes and special assessments for similar
8 properties referred to in subsection (1) of this section. All payments in
9 lieu of taxes made by any such housing agency shall be distributed by the
10 county to all public agencies in such proportion that each public agency
11 shall receive from the total payment the same proportion as its property
12 tax rate bears to the total property tax which would be levied by each
13 public agency against property of the housing agency if the same were not
14 exempt from taxation.

15 (3) The property of Indian housing authorities created under Indian
16 law shall be exempt from all taxes and special assessments of the state
17 or any city, village, or public agency thereof. In lieu of such taxes or
18 special assessments, an Indian housing authority may agree to make
19 payments to any city, village, or public agency for improvements,
20 services, or facilities furnished by such city, village, or public agency
21 for the benefit of a housing project owned by the housing authority, but
22 in no event shall such payments exceed the estimated cost to such city,
23 village, or public agency of the improvements, services, or facilities to
24 be so furnished. All payments made by any such housing authority in lieu
25 of taxes, whether such payments are contractually stipulated or
26 gratuitous voluntary payments, shall be distributed among the cities,
27 villages, or public agencies within which the housing project is located,
28 in such proportion that each city, village, or public agency shall
29 receive from the total payment the same proportion as its ad valorem tax
30 rate bears to the total ad valorem tax rate which would be levied by each
31 city, village, or public agency against the properties of the Indian

1 housing authority if the same were not exempt from taxation. For purposes
2 of this section, (a) Indian housing authority means an entity that is
3 authorized by federal law to engage or assist in the development or
4 operation of low-income housing for Indians and which is established by
5 the exercise of the power of self-government of an Indian tribe and (b)
6 Indian law means the code of an Indian tribe recognized as eligible for
7 services provided to Indians by the United States Secretary of the
8 Interior.

9 Sec. 2. Original section 71-1590, Reissue Revised Statutes of
10 Nebraska, is repealed.