

LEGISLATIVE BILL 973

Approved by the Governor April 1, 2004

Introduced by Landis, 46

AN ACT relating to property; to amend sections 19-910, 19-929, 23-168.03, 77-123, 77-201, 77-202.03, 77-202.04, 77-422, 77-603, 77-612, 77-684, 77-801, 77-802, 77-802.02, 77-1234, 77-1249, 77-1301, 77-1303, 77-1315, 77-1315.01, 77-1317, 77-1318, 77-1330, 77-1343, 77-1344, 77-1345, 77-1345.01, 77-1348, 77-1363, 77-1380, 77-1384, 77-1502, 77-1504.01, 77-1510, 77-1510.01, 77-1514, 77-1606, 77-1608, 77-1610, 77-1623, 77-1775, 77-3506.02, 77-3519, 77-3520, 77-5001, 77-5004, 77-5007, 77-5013, 77-5015, 77-5016, 77-5017, 77-5020, 77-5022, 77-5023, 77-5027, 79-1016, 79-1022, and 84-912.03, Reissue Revised Statutes of Nebraska, and section 23-114.01, Revised Statutes Supplement, 2003; to change provisions relating to zoning and planning, filing requirements, property assessment abstracts, property assessments, valuation of agricultural land and horticultural land, and homestead provisions; to change and eliminate tax-exempt status provisions and protest and appeal provisions relating to property taxation; to redefine terms; to provide and change powers and duties; to provide penalties; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections 77-202.06, 77-202.07, 77-1607, and 77-1609, Reissue Revised Statutes of Nebraska; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 19-910, Reissue Revised Statutes of Nebraska, is amended to read:

19-910. (1) The board of adjustment shall, subject to such appropriate conditions and safeguards as may be established by the legislative body, have only the following powers: ~~(1)~~ (a) To hear and decide appeals ~~where~~ when it is alleged there is error in any order, requirement, decision, or determination made by an administrative official or agency based on or made in the enforcement of any zoning regulation or any regulation relating to the location or soundness of structures, except that the authority to hear and decide appeals shall not apply to decisions made under subsection (3) of section 19-929; ~~(2)~~ (b) to hear and decide, in accordance with the provisions of any zoning regulation, requests for interpretation of any map; and ~~(3)~~ ~~where~~ (c) when by reason of exceptional narrowness, shallowness, or shape of a specific piece of property at the time of the enactment of the zoning regulations, or by reason of exceptional topographic conditions or other extraordinary and exceptional situation or condition of such piece of property, the strict application of any enacted regulation under this section and sections 19-901, 19-903 to 19-904.01, and 19-908 would result in peculiar and exceptional practical difficulties to or exceptional and undue hardships upon the owner of such property, to authorize, upon an appeal relating to the property, a variance from such strict application so as to relieve such difficulties or hardship, if such relief may be granted without substantial detriment to the public good and without substantially impairing the intent and purpose of any ordinance or resolution.

(2) No such variance shall be authorized by the board unless it finds that: (a) The strict application of the zoning regulation would produce undue hardship; (b) such hardship is not shared generally by other properties in the same zoning district and the same vicinity; (c) the authorization of such variance will not be of substantial detriment to adjacent property and the character of the district will not be changed by the granting of the variance; and (d) the granting of such variance is based upon reason of demonstrable and exceptional hardship as distinguished from variations for purposes of convenience, profit, or caprice. No variance shall be authorized unless the board finds that the condition or situation of the property concerned or the intended use of the property is not of so general or recurring a nature as to make reasonably practicable the formulation of a general regulation to be adopted as an amendment to the zoning regulations.

(3) In exercising the ~~above-mentioned~~ powers ~~such~~ granted in this section, the board may, in conformity with ~~the provisions of~~ sections 19-901 to 19-915, reverse or affirm, wholly or partly, or may modify the order, requirement, decision, or determination appealed from, and may make such order, requirement, decision, or determination as ought to be made, and to

that end shall have all the powers of the officer from whom the appeal is taken. The concurring vote of four members of the board shall be necessary to reverse any order, requirement, decision, or determination of any such administrative official, or to decide in favor of the applicant on any matter upon which it is required to pass under any such regulation or to effect any variation in such regulation.

Sec. 2. Section 19-929, Reissue Revised Statutes of Nebraska, is amended to read:

19-929. (1) Except as provided in sections 19-930 to 19-933, the planning commission shall (a) make and adopt plans for the physical development of the municipality, including any areas outside its boundaries which in the commission's judgment bear relation to the planning of such municipality and including a comprehensive development plan as defined by section 19-903, (b) prepare and adopt such implemental means as a capital improvement program, subdivision regulations, building codes, and a zoning ordinance in cooperation with other interested municipal departments, and (c) consult with and advise public officials and agencies, public utilities, civic organizations, educational institutions, and citizens with relation to the promulgation and implementation of the comprehensive development plan and its implemental programs. The commission may delegate authority to any such group to conduct studies and make surveys for the commission, make preliminary reports on its findings, and hold public hearings before submitting its final reports. The municipal governing body shall not take final action on matters relating to the comprehensive development plan, capital improvements, building codes, subdivision development, the annexation of territory, or zoning until it has received the recommendation of the planning commission if such commission in fact has been created and is existent. The governing body shall by ordinance set a reasonable time within which the recommendation from the planning commission is to be received. A recommendation from the planning commission shall not be required for subdivision of existing lots and blocks whenever all required public improvements have been installed, no new dedication of public rights-of-way or easements is involved, and such subdivision complies with the ordinance requirements concerning minimum areas and dimensions of such lots and blocks, if the governing body has designated, by ordinance, an agent pursuant to section 19-916.

(2) The commission may, with the consent of the governing body, in its own name (a) make and enter into contracts with public or private bodies, (b) receive contributions, bequests, gifts, or grant funds from public or private sources, (c) expend the funds appropriated to it by the municipality, (d) employ agents and employees, and (e) acquire, hold, and dispose of property.

The commission may on its own authority make arrangements consistent with its program, conduct or sponsor special studies or planning work for any public body or appropriate agency, receive grants, remuneration, or reimbursement for such studies or work, and at its public hearings, summon witnesses, administer oaths, and compel the giving of testimony.

(3) The commission may grant conditional uses or special exceptions to property owners for the use of their property if the municipal governing body has, through a zoning ordinance or special ordinance, generally authorized the commission to exercise such powers and has approved the standards and procedures adopted by the commission for equitably and judiciously granting such conditional uses or special exceptions. The granting of a conditional use permit or special exception shall only allow property owners to put their property to a special use if it is among those uses specifically identified in the zoning ordinance as classifications of uses which may require special conditions or requirements to be met by the owners before a use permit or building permit is authorized. The power to grant conditional uses or special exceptions shall be the exclusive authority of the commission, except that the municipal governing body may choose to retain for itself the power to grant conditional uses or special exceptions for those classifications of uses specified in the zoning ordinance. The municipal governing body may exercise such power if it has formally adopted standards and procedures for granting such conditional uses or special exceptions in a manner that is equitable and will promote the public interest. An appeal of a decision by the commission or municipal governing body regarding a conditional use or special exception shall be made to the district court.

Sec. 3. Section 23-114.01, Revised Statutes Supplement, 2003, is amended to read:

23-114.01. (1) In order to avail itself of the powers conferred by section 23-114, the county board shall appoint a planning commission to be known as the county planning commission. The members of the commission shall

be residents of the county to be planned and shall be appointed with due consideration to geographical and population factors. Since the primary focus of concern and control in county planning and land-use regulatory programs is the unincorporated area, a majority of the members of the commission shall be residents of unincorporated areas, except that this requirement shall not apply to joint planning commissions. Members of the commission shall hold no county or municipal office, except that a member may also be a member of a city, village, or other type of planning commission. The term of each member shall be three years, except that approximately one-third of the members of the first commission shall serve for terms of one year, one-third for terms of two years, and one-third for terms of three years. All members shall hold office until their successors are appointed. Members of the commission may be removed by a majority vote of the county board for inefficiency, neglect of duty, or malfeasance in office or other good and sufficient cause upon written charges being filed with the county board and after a public hearing has been held regarding such charges. Vacancies occurring otherwise than through the expiration of terms shall be filled for the unexpired terms by individuals appointed by the county board. Members of the commission shall be compensated for their actual and necessary expenses incurred in connection with their duties in an amount to be fixed by the county board. Reimbursement for mileage shall be made at the rate provided in section 81-1176. Each county board may provide a per diem payment for members of the commission of not to exceed fifteen dollars for each day that each such member attends meetings of the commission or is engaged in matters concerning the commission, but no member shall receive more than one thousand dollars in any one year. Such per diem payments shall be in addition to and separate from compensation for expenses.

(2) The commission: (a) Shall prepare and adopt as its policy statement a comprehensive development plan and such implemental means as a capital improvement program, subdivision regulations, building codes, and a zoning resolution; (b) shall consult with and advise public officials and agencies, public utilities, civic organizations, educational institutions, and citizens relating to the promulgation of implemental programs; (c) may delegate authority to any of the groups named in subdivision (b) of this subsection to conduct studies and make surveys for the commission; and (d) shall make preliminary reports on its findings and hold public hearings before submitting its final reports. The county board shall not hold its public meetings or take action on matters relating to the comprehensive development plan, capital improvements, building codes, subdivision development, or zoning until it has received the recommendations of the commission.

(3) The commission may, with the consent of the governing body, in its own name: Make and enter into contracts with public or private bodies; receive contributions, bequests, gifts, or grants of funds from public or private sources; expend the funds appropriated to it by the county board; employ agents and employees; and acquire, hold, and dispose of property. The commission may, on its own authority: Make arrangements consistent with its program; conduct or sponsor special studies or planning work for any public body or appropriate agency; receive grants, remuneration, or reimbursement for such studies or work; and at its public hearings, summon witnesses, administer oaths, and compel the giving of testimony.

(4) In all counties in the state, the county planning commission may grant conditional uses or special exceptions to property owners for the use of their property if the county board of commissioners or supervisors has officially and generally authorized the commission to exercise such powers and has approved the standards and procedures the commission adopted for equitably and judiciously granting such conditional uses or special exceptions. The granting of a conditional use permit or special exception shall only allow property owners to put their property to a special use if it is among those uses specifically identified in the county zoning regulations as classifications of uses which may require special conditions or requirements to be met by the owners before a use permit or building permit is authorized. The applicant for a conditional use permit or special exception for a livestock operation specifically identified in the county zoning regulations as a classification of use which may require special conditions or requirements to be met within an area of a county zoned for agricultural use may request a determination of the special conditions or requirements to be imposed by the county planning commission or by the county board of commissioners or supervisors if the board has not authorized the commission to exercise such authority. Upon request the commission or board shall issue such determination of the special conditions or requirements to be imposed in a timely manner. Such special conditions or requirements to be imposed may include, but are not limited to, the submission of information that may be

separately provided to state or federal agencies in applying to obtain the applicable state and federal permits. The commission or the board may request and review, prior to making a determination of the special conditions or requirements to be imposed, reasonable information relevant to the conditional use or special exception. If a determination of the special conditions or requirements to be imposed has been made, final permit approval may be withheld subject only to a final review by the commission or county board to determine whether there is a substantial change in the applicant's proposed use of the property upon which the determination was based and that the applicant has met, or will meet, the special conditions or requirements imposed in the determination. For purposes of this section, substantial change shall include any significant alteration in the original application including a significant change in the design or location of buildings or facilities, in waste disposal methods or facilities, or in capacity.

(5) The power to grant conditional uses or special exceptions as set forth in subsection (4) of this section shall be the exclusive authority of the commission, except that the county board of commissioners or supervisors may choose to retain for itself the power to grant conditional uses or special exceptions for those classifications of uses specified in the county zoning regulations. The county board of commissioners or supervisors may exercise such power if it has formally adopted standards and procedures for granting such conditional uses or special exceptions in a manner that is equitable and which will promote the public interest. An appeal of a decision by the county planning commission or county board of commissioners or supervisors regarding a conditional use or special exception shall be made to the district court.

(6) Whenever a county planning commission or county board is authorized to grant conditional uses or special exceptions pursuant to subsection (4) or (5) of this section, the planning commission or county board shall, with its decision to grant or deny a conditional use permit or special exception, issue a statement of factual findings arising from the record of proceedings that support the granting or denial of the conditional use permit or special exception. If a county planning commission's role is advisory to the county board, the county planning commission shall submit such statement with its recommendation to the county board as to whether to approve or deny a conditional use permit or special exception.

Sec. 4. Section 23-168.03, Reissue Revised Statutes of Nebraska, is amended to read:

23-168.03. (1) The board of adjustment shall, subject to such appropriate conditions and safeguards as may be established by the county board, have only the following powers:

~~(1)~~ (a) To hear and decide appeals ~~where~~ when it is alleged by the appellant that there is an error in any order, requirement, decision, or refusal made by an administrative official or agency based on or made in the enforcement of any zoning regulation or any regulation relating to the location or soundness of structures. The board of adjustment shall have no authority to hear and decide appeals regarding conditional use permits or special exceptions which may be granted pursuant to section 23-114.01;

~~(2)~~ (b) To hear and decide, in accordance with the provisions of any regulation, requests for interpretation of any map; and

~~(3)~~ ~~where~~ (c) When by reason of exceptional narrowness, shallowness, or shape of a specific piece of property at the time of the adoption of the zoning regulations, or by reason of exceptional topographic conditions or other extraordinary and exceptional situation or condition of such piece of property, the strict application of any enacted regulation under sections 23-114 to 23-114.05, 23-168.01 to 23-168.04, 23-172 to 23-174, 23-174.02, 23-373, and 23-376 would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardships upon the owner of such property, to authorize, upon an appeal relating to the property, a variance from such strict application so as to relieve such difficulties or hardship, if such relief may be granted without substantial detriment to the public good and without substantially impairing the intent and purpose of any zoning regulations, but no such variance shall be authorized unless the board of adjustment finds that: ~~(a)~~ (i) The strict application of the resolution would produce undue hardship; ~~(b)~~ (ii) such hardship is not shared generally by other properties in the same zoning district and the same vicinity; ~~(c)~~ (iii) the authorization of such variance will not be of substantial detriment to adjacent property and the character of the district will not be changed by the granting of the variance; and ~~(d)~~ (iv) the granting of such variance is based upon reasons of demonstrable and exceptional hardship as distinguished from variations for purposes of convenience, profit or caprice.

(2) No variance shall be authorized unless the board finds that the condition or situation of the property concerned or the intended use of the

property is not of so general or recurring a nature as to make reasonably practicable the formulation of a general regulation to be adopted as an amendment to the zoning regulations.

(3) In exercising the ~~above-mentioned~~ powers granted in this section, the board may, in conformity with the provisions of sections 23-114 to 23-114.05, 23-168.01 to 23-168.04, 23-172 to 23-174, 23-174.02, 23-373, and 23-376, reverse or affirm, wholly or partly, or may modify the order, requirement, decision, or determination appealed from and may make such order, requirement, decision, or determination as shall be proper, and to that end shall have the power of the officer or agency from whom the appeal is taken. The concurring vote of four members of the board shall be necessary to reverse any order, requirement, decision, or determination of any such administrative official, or to decide in favor of the applicant on any matter upon which it is required to pass under any such regulation or to effect any variation in such regulation.

Sec. 5. Section 77-123, Reissue Revised Statutes of Nebraska, is amended to read:

77-123. Omitted property means, for the current tax year, any taxable real property that was not assessed on March ~~20~~ 19 and any taxable tangible personal property that was not assessed on May 1. Omitted property also means any taxable real or tangible personal property that was not assessed for any prior tax year. Omitted property does not include property exempt under subdivisions (1)(a) through (d) of section 77-202, listing errors of an item of property on the assessment roll of the county assessor, or clerical errors as defined in section 77-128.

Sec. 6. Section 77-201, Reissue Revised Statutes of Nebraska, is amended to read:

77-201. (1) Except as provided in ~~subsection (2)~~ subsections (2) and (3) of this section, all real property in this state, not expressly exempt therefrom, shall be subject to taxation and shall be valued at its actual value.

(2) Agricultural land and horticultural land as defined in section 77-1359 shall constitute a separate and distinct class of property for purposes of property taxation, shall be subject to taxation, unless expressly exempt from taxation, and shall be valued at eighty percent of its actual value.

(3) Agricultural land and horticultural land actively devoted to agricultural or horticultural purposes which has value for purposes other than agricultural or horticultural uses and which meets the qualifications for special valuation under section 77-1344 shall constitute a separate and distinct class of property for purposes of property taxation, shall be subject to taxation, and shall be valued for taxation at eighty percent of its special value as defined in section 77-1343 and at eighty percent of its recapture value as defined in section 77-1343 when the land is disqualified for special valuation under section 77-1347.

(4) Tangible personal property, not including motor vehicles registered for operation on the highways of this state, shall constitute a separate and distinct class of property for purposes of property taxation, shall be subject to taxation, unless expressly exempt from taxation, and shall be valued at its net book value. Tangible personal property transferred as a gift or devise or as part of a transaction which is not a purchase shall be subject to taxation based upon the date the property was acquired by the previous owner and at the previous owner's Nebraska adjusted basis. Tangible personal property acquired as replacement property for converted property shall be subject to taxation based upon the date the converted property was acquired and at the Nebraska adjusted basis of the converted property unless insurance proceeds are payable by reason of the conversion. For purposes of this subsection, (a) converted property means tangible personal property which is compulsorily or involuntarily converted as a result of its destruction in whole or in part, theft, seizure, requisition, or condemnation, or the threat or imminence thereof, and no gain or loss is recognized for federal or state income tax purposes by the holder of the property as a result of the conversion and (b) replacement property means tangible personal property acquired within two years after the close of the calendar year in which tangible personal property was converted and which is, except for date of construction or manufacture, substantially the same as the converted property.

Sec. 7. Section 77-202.03, Reissue Revised Statutes of Nebraska, is amended to read:

77-202.03. (1) A properly granted exemption of real or tangible personal property, except real property used for cemetery purposes, provided for in subdivisions (1)(c) and (d) of section 77-202 shall continue for a period of four years if the ~~affidavit~~ statement of reaffirmation of exemption

required by subsection (2) of this section is filed when due. The four-year period shall begin with years evenly divisible by four.

(2) In each intervening year occurring between application years, the organization or society which filed the granted exemption application for the real or tangible personal property, except real property used for cemetery purposes, shall file ~~an affidavit~~ a statement of reaffirmation of exemption with the county assessor on or before December 31 of the year preceding the year for which the exemption is sought, on forms prescribed by the Property Tax Administrator, certifying that the ownership and use of the exempted property has not changed during the year. Any organization or society which misses the December 31 deadline for filing the ~~affidavit~~ statement of reaffirmation of exemption may file the ~~affidavit~~ statement of reaffirmation of exemption by June 30. Such filing shall maintain the tax-exempt status of the property without further action by the county and regardless of any previous action by the county board of equalization to deny the exemption due to late filing of the ~~affidavit~~ statement of reaffirmation of exemption. Upon any such late filing, the county assessor shall assess a penalty against the property of ten percent of the tax that would have been assessed had the ~~affidavit~~ statement of reaffirmation of exemption not been filed or one hundred dollars, whichever is less, for each calendar month or fraction thereof for which the filing of the ~~affidavit~~ statement of reaffirmation of exemption is late. The penalty shall be collected and distributed in the same manner as a tax on the property and interest shall be assessed at the rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, from the date the tax would have been delinquent until paid. The penalty shall also become a lien in the same manner as a tax pursuant to section 77-203.

(3)(a) If any organization or society seeks a tax exemption for any real or tangible personal property acquired on or after January 1 of any year or converted to exempt use on or after January 1 of any year, the organization or society shall make application for exemption on or before August 1 of that year as provided in subsection (1) of section 77-202.01. The procedure for reviewing the application shall be as in sections 77-202.01 to ~~77-202.07~~ 77-202.05, except that the exempt use shall be determined as of the date of application and the review by the county board of equalization shall be completed by August 15.

(b) If an organization as described in subdivision (1)(c) or (d) of section 77-202 purchases, between August 1 and the levy date, property that has been granted tax exemption and the property continues to be qualified for a property tax exemption, the purchaser shall on or before December 1 make application for exemption as provided in section 77-202.01. The procedure for reviewing the application shall be as in sections 77-202.01 to ~~77-202.07~~ 77-202.05, and the review by the county board of equalization shall be completed by December 15.

(4) In any year, the county assessor or the county board of equalization may cause a review of any exemption to determine whether the exemption is proper. Such a review may be taken even if the ownership or use of the property has not changed from the date of the allowance of the exemption. ~~The review shall follow the procedure set out in section 77-202.02, except that beginning January 1, 2001, the published notice shall state that the list provided in the county assessor's office only includes those properties being reviewed.~~ If it is determined that a change in an exemption is warranted, the procedure for hearing set out in section 77-202.02 shall be followed, ~~except that the published notice shall state that the list provided in the county assessor's office only includes those properties being reviewed.~~ If an exemption is denied, the county board of equalization shall place the property on the tax rolls retroactive to January 1 of that year if on the date of the decision of the county board of equalization the property no longer qualifies for an exemption.

The county board of equalization shall give notice of the assessed value of the real property in the same manner as outlined in section 77-1507, and the procedures for filing a protest shall be the same as those in section 77-1502.

When personal property which was exempt becomes taxable because of lost exemption status, the owner or his or her agent has thirty days after the date of denial to file a personal property return with the county assessor. Upon the expiration of the thirty days for filing a personal property return pursuant to this subsection, the county assessor shall proceed to list and value the personal property and apply the penalty pursuant to section 77-1233.04.

(5) During the month of September of each year, the county board of equalization shall cause to be published in a paper of general circulation in

the county a list of all real estate in the county exempt from taxation for that year pursuant to subdivisions (1)(c) and (d) of section 77-202. Such list shall be grouped into categories as provided by the Property Tax Administrator. A copy of the list and proof of publication shall be forwarded to the Property Tax Administrator.

Sec. 8. Section 77-202.04, Reissue Revised Statutes of Nebraska, is amended to read:

77-202.04. Notice of a county board of equalization's decision granting or denying an application for exemption from taxation for real or tangible personal property shall be mailed or delivered to the applicant and the county assessor by the county clerk within seven days after the date of the board's decision. Persons, corporations, or organizations denied may appeal denial of an application for exemption from taxation for real or tangible personal property by a county board of equalization. may appeal to the Tax Equalization and Review Commission. Only the county assessor may appeal the grant of such an exemption from taxation for real or tangible personal property by a county board of equalization. Appeals pursuant to this section shall be made to the Tax Equalization and Review Commission in accordance with section 77-5013 within thirty days after the decision of the county board of equalization. to the Tax Equalization and Review Commission. The Property Tax Administrator may in his or her discretion intervene in any such appeal pursuant to this section.

Sec. 9. Section 77-422, Reissue Revised Statutes of Nebraska, is amended to read:

77-422. (1) Upon the successful completion of the examination by the applicant, a county assessor certificate shall be issued to him or her.

(2) The Property Tax Administrator shall establish a system for revocation or suspension of a certificate for failure to maintain the educational standards and criteria and shall have the power to revoke the certificate if the certificate holder has not successfully met the educational requirements in section 77-414. A copy of the Property Tax Administrator's written order revoking or suspending a certificate shall be mailed to the person within seven days after the date of the order.

(3) Any person whose certificate has been revoked or suspended may appeal the decision of the Property Tax Administrator, and the appeal shall be in accordance with the Tax Equalization and Review Commission Act written order of the Property Tax Administrator, within thirty days after the date of the order, to the Tax Equalization and Review Commission in accordance with section 77-5013.

Sec. 10. Section 77-603, Reissue Revised Statutes of Nebraska, is amended to read:

77-603. On or before April 15 each year, the person, company, or corporation owning, operating, or controlling any railroad or railroad service in this state shall, by a duly authorized corporate representative or official, return to the Property Tax Administrator a statement of the property of such company on January 1 preceding. The statement shall be made on forms prescribed by the Property Tax Administrator. All information reported by the railroad company, not available from any other public source, and any memorandum thereof shall be confidential and available to taxing officials only. For good cause shown, the Property Tax Administrator may allow an extension of time in which to file such statement. Such extension shall not exceed ~~thirty~~ fifteen days after April 15. Such statement shall include:

(1) A list of the right-of-way, track, and roadbed, giving the entire length of the main track and sidetrack in this and other states, and showing as to this state the portion in each governmental subdivision;

(2) A schedule showing: (a) The amount of capital stock authorized and the number of shares into which such capital stock is divided; (b) the amount of capital stock paid up; (c) the market value of the stock or, if of no market value, then the true value of the shares of stock; (d) the total amount of all secured and unsecured indebtedness except for current expenses of operating the road; and (e) the taxable valuation of all its operating property in this state that is locally assessed;

(3) A correct return of the value of all materials and supplies used for operating and carrying on the business of such railroad;

(4) The total gross earnings and net earnings of such corporation during the year for which the statement is made, and the total amount expended in the operation and maintenance of the property and the improvements to such property, distinguishing that expended in improvement or betterment from that expended in maintenance and operation, also the dividend last declared upon its shares and the amount thereof, and the date, number, and amount of all dividends declared upon its stock during the year preceding the date of such report; and

(5) Such other necessary information as the Property Tax Administrator may require, all of which shall be taken into consideration in ascertaining and fixing the value of such railroad and the franchise thereof.

Sec. 11. Section 77-612, Reissue Revised Statutes of Nebraska, is amended to read:

77-612. On or before July 1, the Property Tax Administrator shall mail a draft appraisal to each railroad company required to file pursuant to section 77-603. The Property Tax Administrator shall, on or before July 15 of each year, notify by certified mail each railroad company of the total allocated value of its operating property. If a railroad company feels aggrieved, such railroad company may, on or before August 1, file with the Property Tax Administrator an administrative appeal in writing stating that it claims the valuation is unjust or inequitable, the amount which it is claimed the valuation should be, and the excess therein and asking for an adjustment of the valuation by the Property Tax Administrator. The Property Tax Administrator shall act upon the appeal and shall issue ~~an order. The order may be appealed in accordance with the Tax Equalization and Review Commission Act~~ a written order mailed to the company within seven days after the date of the order. The order may be appealed within thirty days after the date of the order to the Tax Equalization and Review Commission in accordance with section 77-5013.

Sec. 12. Section 77-684, Reissue Revised Statutes of Nebraska, is amended to read:

77-684. The Property Tax Administrator shall, on or before January 15 each year, establish a tax rate for purposes of taxation against the taxable value as provided in sections 77-682 and 77-683 at a rate which shall be equal to the total property taxes levied in the state divided by the total taxable value of all taxable property in the state as certified pursuant to section 77-1613.01. The date when such tax rate is determined shall be deemed to be the levy date for the property. The Property Tax Administrator shall send to each car line company a statement showing the taxable value, the tax rate, and the amount of the tax and a statement that such tax is due and payable to the Property Tax Administrator on January 31 next following the levy thereof. If a car line company feels aggrieved, such company may, on or before February 15, file an appeal with the Property Tax Administrator. The Property Tax Administrator shall act upon the appeal and shall issue ~~an order. The order may be appealed in accordance with the Tax Equalization and Review Commission Act~~ a written order mailed to the company within seven days after the date of the order. The order may be appealed within thirty days after the date of the order to the Tax Equalization and Review Commission in accordance with section 77-5013. The Property Tax Administrator shall remit the tax collected, less a three-percent collection fee, to the State Treasurer for distribution among the taxing subdivisions in proportion to all railroad taxes levied by taxing subdivisions. The collection fee shall be remitted to the State Treasurer for credit to the Department of Property Assessment and Taxation Cash Fund.

Sec. 13. Section 77-801, Reissue Revised Statutes of Nebraska, is amended to read:

77-801. All public service entities shall, on or before April 15 of each year, furnish a statement specifying such information as may be required by the Property Tax Administrator on forms prescribed by the Property Tax Administrator to determine and distribute the entity's total taxable value including the franchise value. All information reported by the public service entities, not available from any other public source, and any memorandum thereof shall be confidential and available to taxing officials only. For good cause shown, the Property Tax Administrator may allow an extension of time in which to file such statement. Such extension shall not exceed ~~thirty~~ fifteen days after April 15.

The returns of public service entities shall not be held to be conclusive as to the taxable value of the property, but the Property Tax Administrator shall, from all the information which he or she is able to obtain, find the taxable value of all such property, including tangible property and franchises, and shall assess such property on the same basis as other property is required to be assessed.

The county assessor shall assess all nonoperating property of any public service entity. A public service entity operating within the State of Nebraska shall, on or before January 1 of each year, report to the county assessor of each county in which it has situs all nonoperating property belonging to such entity which is not subject to assessment and assessed by the Property Tax Administrator under section 77-802.

Sec. 14. Section 77-802, Reissue Revised Statutes of Nebraska, is amended to read:

77-802. The Property Tax Administrator shall apportion the total taxable value including the franchise value to all taxing subdivisions in proportion to the ratio of the original cost of all operating real and tangible personal property of that public service entity having a situs in that taxing subdivision to the original cost of all operating real and tangible personal property of that public service entity having a situs in the state.

If the apportionment in accordance with this section does not fairly represent the proportion of the taxable value, including franchise value properly allocable to the county, the taxpayer may petition for or the Property Tax Administrator may require the inclusion of any other method to effectuate an equitable allocation of the value of the public service entity for purposes of taxation.

On or before ~~August 1~~ July 25, the Property Tax Administrator shall mail a draft appraisal to each public service entity as defined in section 77-801.01. On or before August 10, the Property Tax Administrator shall, by certified mail, notify each public service entity of its taxable value and the distribution of that value to the taxing subdivisions in which the entity has situs. On or before August 10, the Property Tax Administrator shall also certify to the county assessors the taxable value so determined.

Sec. 15. Section 77-802.02, Reissue Revised Statutes of Nebraska, is amended to read:

77-802.02. On or before September 10, if a public service entity feels aggrieved, such public service entity may file an appeal with the Property Tax Administrator. The Property Tax Administrator shall act upon the appeal and shall issue an order. ~~The order may be appealed in accordance with the Tax Equalization and Review Commission Act~~ a written order mailed to the entity within seven days after the date of the order. The order may be appealed within thirty days after the date of the order to the Tax Equalization and Review Commission in accordance with section 77-5013.

Sec. 16. Section 77-1234, Reissue Revised Statutes of Nebraska, is amended to read:

77-1234. It shall be the duty of the ~~Tax Equalization and Review Commission~~, county boards, and county assessors to notify the county attorney of the proper county of all willful violations of the provisions with respect to listing of property for taxation known to them or any of them.

Sec. 17. Section 77-1249, Reissue Revised Statutes of Nebraska, is amended to read:

77-1249. The Property Tax Administrator shall, on or before January 15 each year, establish a tax rate for purposes of taxation against the taxable value as provided in section 77-1248 at a rate which shall be equal to the total property taxes levied in the state divided by the total taxable value of all taxable property in the state as certified pursuant to section 77-1613.01. The date when such tax rate is determined shall be deemed to be the levy date for the property. The Property Tax Administrator shall send to each air carrier a statement showing the taxable value, the tax rate, and the amount of the tax and a statement that the tax is due and payable to the Property Tax Administrator on January 31 next following the levy thereof. If an air carrier feels aggrieved, such carrier may, on or before February 15, file an appeal with the Property Tax Administrator. The Property Tax Administrator shall act upon the appeal and shall issue an order. ~~The order may be appealed in accordance with the Tax Equalization and Review Commission Act~~ a written order mailed to the carrier within seven days after the date of the order. The order may be appealed within thirty days after the date of the order to the Tax Equalization and Review Commission in accordance with section 77-5013.

Sec. 18. Section 77-1301, Reissue Revised Statutes of Nebraska, is amended to read:

77-1301. (1) All real property in this state subject to taxation shall be assessed as of January 1 at 12:01 a.m., which assessment shall be used as a basis of taxation until the next assessment.

(2) The county assessor shall complete the assessment of real property on or before March ~~20~~ 19 of each year.

Sec. 19. Section 77-1303, Reissue Revised Statutes of Nebraska, is amended to read:

77-1303. (1) On or before March ~~20~~ 19 of each year, the county assessor or county clerk shall make up an assessment roll of the taxable real property in the county.

(2) If a whole section, half section, quarter section, or half quarter section belongs to the same owner, it shall be included in one description. If all the lots in the same block belong to the same owner, they shall be included in one description. If several adjoining lots in the same

block belong to the same owner, they shall be included in one description. If any item of real property is situated in more than one tax district, the portion thereof in each district shall be listed separately.

(3) The county assessor or county clerk shall enter in the proper column, opposite each respective item, the name of the owner thereof so far as he or she is able to ascertain the same. The assessment roll shall contain columns in which may be shown the number of acres or lots and the value thereof, the improvements and the value thereof, the total value of the acres or lots and improvements, and the improvements on leased lands and the value and owner thereof and such other columns as may be required.

Sec. 20. Section 77-1315, Reissue Revised Statutes of Nebraska, is amended to read:

77-1315. (1) The county assessor shall, after March ~~20~~ 19 and on or before June 1, implement adjustments to the real property assessment roll for actions of the agricultural and horticultural land valuation board and the Tax Equalization and Review Commission.

(2) On or before June 1, the county assessor shall notify the owner of record as of May 20 of every item of real property which has been assessed at a value different than in the previous year. Such notice shall be given by first-class mail addressed to such owner's last-known address. It shall identify the item of real property and state the old and new valuation, the date of convening of the county board of equalization, the dates for filing a protest, and the average level of value of all classes and subclasses of real property in the county as determined by the Tax Equalization and Review Commission.

(3) Immediately upon completion of the assessment roll, the county assessor shall cause to be published in a newspaper of general circulation in the county a certification that the assessment roll is complete and notices of valuation changes have been mailed and provide the final date for filing valuation protests with the county board of equalization.

(4) The county assessor shall annually, on or before June 6, post in his or her office and, as designated by the county board, mail to a newspaper of general circulation and to licensed broadcast media in the county the assessment ratios as found in his or her county as determined by the Tax Equalization and Review Commission and any other statistical measures, including, but not limited to, the assessment-to-sales ratio, the coefficient of dispersion, and the price-related differential.

Sec. 21. Section 77-1315.01, Reissue Revised Statutes of Nebraska, is amended to read:

77-1315.01. After March ~~20~~ 19 and on or before July 25, the county assessor shall report to the county board of equalization any overvaluation or undervaluation of any real property. The county board of equalization shall consider the report in accordance with section 77-1504.

The current year's assessed valuation of any real property shall not be changed by the county assessor after March ~~20~~ 19 except by action of the agricultural and horticultural land valuation board, the Tax Equalization and Review Commission, or the county board of equalization.

Sec. 22. Section 77-1317, Reissue Revised Statutes of Nebraska, is amended to read:

77-1317. It shall be the duty of the county assessor to report to the county board of equalization all real property in his or her county that, for any reason, was omitted from the assessment roll for the current year, after March ~~20~~ 19, or any former year. The assessment shall be made by the county board of equalization in accordance with sections 77-1504 and 77-1507. After county board of equalization action pursuant to section 77-1504 or 77-1507, the county assessor shall correct the assessment and tax rolls as provided in section 77-1613.02. No real property shall be assessed for any prior year under this section when such real property has changed ownership otherwise than by will, inheritance, or gift.

Sec. 23. Section 77-1318, Reissue Revised Statutes of Nebraska, is amended to read:

77-1318. All taxes charged under section 77-1317 shall be exempt from any back interest or penalty and shall be collected in the same manner as other taxes levied upon real estate, except for taxes charged on improvements to real property made after September 1, 1980. Interest at the rate provided in section 77-207 and the following penalties and interest on penalties for late reporting or failure to report such improvements pursuant to section 77-1318.01 shall be collected in the same manner as other taxes levied upon real property. The penalty for late reporting or failure to report improvements made to real property after September 1, 1980, shall be as follows: (1) A penalty of twelve percent of the tax due on the improvements for each taxing period for improvements voluntarily filed or reported after

March ~~20~~ 19 has passed; and (2) a penalty of twenty percent of the tax due on improvements for each taxing period for improvements not voluntarily reported for taxation purposes after March ~~20~~ 19 has passed. Interest at the rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, shall be assessed upon such penalty from the date of delinquency of the tax until paid. No penalty excluding interest shall be charged in excess of one thousand dollars per year. For purposes of this section, improvement shall mean any new construction of or change to an item of real property as defined in section 77-103.

Any additional taxes, penalties, or interest on penalties imposed pursuant to this section may be appealed in the same manner as appeals are made under section 77-1233.06.

Sec. 24. Section 77-1330, Reissue Revised Statutes of Nebraska, is amended to read:

77-1330. (1) The Property Tax Administrator shall prepare, issue, and annually revise guides for county assessors in the form of property tax laws, rules, regulations, manuals, and directives. The Property Tax Administrator may issue such directives without the necessity of compliance with the terms of the Administrative Procedure Act relating to the promulgation of rules and regulations. The assessment and appraisal function performed by counties shall comply with the standards promulgated by the Property Tax Administrator, and county assessors shall continually use the materials prepared by the Property Tax Administrator in the performance of their duties. The standards promulgated by the Property Tax Administrator shall not require the implementation of a specific computer software or hardware system if the existing software or system produces data and reports in compliance with the standards.

(2) The Property Tax Administrator, or his or her agent or representative, may examine or cause to have examined any books, papers, records, or memoranda of any county relating to the assessment of property to determine compliance with the laws, rules, regulations, manuals, and directives described in subsection (1) of this section. Such production of records shall not include the photocopying of records between January 1 and April 1. Failure to provide such records to the Property Tax Administrator may constitute grounds for the suspension of the assessor's certificate of any county assessor who willfully fails to make requested records available to the Property Tax Administrator.

(3) After an examination the Property Tax Administrator shall provide a written report of the results to the county assessor and county board. If the examination indicates a failure to meet the standards contained in the laws, rules, regulations, manuals, and directives, the Property Tax Administrator shall, in the report, set forth the facts and cause of such failures as well as corrective measures the county or county assessor may implement to correct those failures.

(4) After the issuance of the report of the results of the examination, the Property Tax Administrator may seek to order a county or county assessor to take corrective measures to remedy any failure to comply with the materials described in subsection (1) of this section. Such corrective orders may only be issued after written notice and a hearing before the Property Tax Administrator conducted at least ten days after the issuance of the written notice of hearing. The performance of such corrective measures shall be implemented by the county to which the order is issued. If the county fails to implement such corrective measures, the Property Tax Administrator may seek to suspend the assessment function of the county under the terms of subsection (5) of this section and shall implement the corrective measures pursuant to subsection (6) of this section. The performance of such corrective measures shall be a charge on the county, and upon completion, the Property Tax Administrator shall notify the county board of the cost and make demand for such cost. If payment is not received within one hundred twenty days after the start of the next fiscal year, the Property Tax Administrator shall report such fact to the State Treasurer. The State Treasurer shall immediately make payment to the Department of Property Assessment and Taxation for the costs incurred by the division for such corrective measures. The payment shall be made out of any money to which such county may be entitled under Chapter 77, articles 27 and 35, and Chapter 66, articles 4 and 6.

(5) If, within one year from the service of the order, the measures in the corrective order have not been taken, the Property Tax Administrator (a) may, at any time during the continuance of such failure, issue an order requiring the county assessor and county board to show cause why the authority of the county with respect to assessments or any matter related thereto should not be suspended, (b) shall set a time and place at which the Property Tax Administrator or his or her representative shall hear the county assessor and

county board on the question of compliance by the county assessor or county with the laws, rules, regulations, manuals, directives, or corrective orders described in this section, and (c) after such hearing shall determine whether and to what extent the assessment function of the county shall be so suspended. Such hearing shall be held at least ten days after the issuance of such notice in the county.

(6) During the continuance of a suspension pursuant to subsection (5) of this section, the Property Tax Administrator shall succeed to the authority and duties from which the county has been suspended and shall exercise and perform the same. Such exercise and performance shall be a charge on the suspended county. The suspension shall continue until the Property Tax Administrator finds that the conditions responsible for the failure to meet the minimum standards contained in the laws, rules, regulations, manuals, and directives have been corrected.

(7) The Property Tax Administrator, subject to rules and regulations to be published and furnished to every county assessor and county board, shall have the power to invalidate the certificate of any assessor or deputy assessor who willfully fails or refuses to diligently perform his or her duties in accordance with the laws, rules, regulations, manuals, and orders issued by the Property Tax Administrator governing the assessment of property and the duties of each assessor and deputy assessor. No certificate shall be revoked or suspended except after notice and a hearing before the Property Tax Administrator or his or her designee. Such hearing shall be held at least ten days after the issuance of such notice in the county. Prior to revocation, a one-year probationary period, subject to oversight by the Property Tax Administrator, shall be imposed. At the end of the one-year probationary period, a second hearing shall be held. If assessment practices have improved, the probationary period shall end and no revocation shall be made. If assessment practices have not improved, the assessor certificate shall be revoked. If during the probationary period, the assessor continues to willfully fail or refuse to diligently perform his or her duties, the Property Tax Administrator may immediately hold the second hearing. If the county assessor certificate of a person serving as assessor or deputy assessor is revoked, such person shall be removed from office by the Property Tax Administrator, the office shall be declared vacant, and such person shall not be eligible to hold that office for a period of five years after the date of removal. The Property Tax Administrator shall mail a copy of his or her written order to the affected party within seven days after the date of the order.

(8) All hearings described in this section shall be governed by the Administrative Procedure Act. Any county aggrieved by a determination of the Property Tax Administrator after a hearing pursuant to subsections (4) and (5) of this section or alleging that its suspension is no longer justified ~~may have review of such determination or continued suspension in accordance with the Tax Equalization and Review Commission Act.~~ Any assessor or deputy assessor whose county assessor certificate has been revoked may appeal the decision of the Property Tax Administrator, and the appeal shall be in accordance with the Tax Equalization and Review Commission Act or any assessor or deputy assessor whose county assessor certificate has been revoked may appeal within thirty days after the date of the written order of the Property Tax Administrator to the Tax Equalization and Review Commission in accordance with section 77-5013.

Sec. 25. Section 77-1343, Reissue Revised Statutes of Nebraska, is amended to read:

77-1343. The purpose of sections 77-1343 to 77-1348 is to provide a special valuation for qualified agricultural or horticultural land so that the current assessed valuation of the land for property tax purposes is the value that the land would have without regard to the value the land would have for other purposes or uses. For purposes of sections 77-1343 to 77-1348:

(1) Agricultural or horticultural land means that land as defined in section 77-1359;

(2) Agricultural or horticultural use means the use of land as defined in section 77-1359, so that incidental use of the land for nonagricultural or nonhorticultural purposes shall not disqualify the land;

(3) Lessee means a person leasing agricultural or horticultural land from a state or governmental subdivision which is an owner that is subject to taxation under section 77-202.11;

(4) Owner means an owner of agricultural or horticultural land who holds an estate in fee simple or for life, any one of tenants in common or joint tenants who hold an estate in fee simple or for life, or the purchaser of agricultural or horticultural land under a contract for sale;

(5) Recapture valuation means ~~eighty percent of~~ the actual value of

the land pursuant to section 77-112;

(6) Special valuation means ~~eighty percent~~ of the value that the land would have for agricultural or horticultural purposes or uses without regard to the actual value the land would have for other purposes or uses;

(7) Taxpayer means the owner or lessee that is responsible for paying the property taxes levied on an item of real property; and

(8) Zoned for agricultural or horticultural use means designation of any land predominantly for agricultural or horticultural use by any political subdivision pursuant to sections 19-924 to 19-933, Chapter 14, article 4, Chapter 15, article 9, Chapter 16, article 9, Chapter 17, article 10, or Chapter 23, article 1. The primary objective of the agricultural or horticultural use zoning shall be to preserve and protect agricultural activities and the potential for the agricultural, horticultural, or open use of land. Uses to be allowed on such lands include primarily agricultural-related or horticultural-related uses, and nonagricultural or nonhorticultural industrial, commercial, or residential uses allowed on such lands shall be restricted so that they do not conflict with or detract from this objective.

Sec. 26. Section 77-1344, Reissue Revised Statutes of Nebraska, is amended to read:

77-1344. (1) Any land which has an actual value as defined in section 77-112 reflecting purposes or uses other than agricultural or horticultural use shall be assessed ~~at its special valuation and not at its recapture value as provided in subsection (3) of section 77-201~~ if the land meets the qualifications of this subsection and an application for such special valuation is made and approved pursuant to section 77-1345. In order for the land to qualify for special valuation all of the following criteria shall be met: (a) The land is located outside the corporate boundaries of any sanitary and improvement district, city, or village, (b) the land is used for agricultural or horticultural purposes, and (c) the land is zoned predominantly for agricultural or horticultural use.

(2) The special valuation provisions may be applicable to real property included within the corporate boundaries of a city or village if the land is subject to a conservation or preservation easement as provided in the Conservation and Preservation Easements Act and the governing body of the city or village approves the agreement creating the easement.

(3) The eligibility of land for the special valuation provisions of this section shall be determined as of January 1, but if land so qualified becomes disqualified prior to the levy date of the same year, it shall be valued and carried on the tax roll at its recapture value. If the land becomes disqualified after the date of levy, its valuation for that year shall continue as provided in this section.

(4) The special valuation and recapture valuation placed on such land by the county assessor under this section shall be subject to equalization by the agricultural and horticultural land valuation board, the county board of equalization, and the Tax Equalization and Review Commission.

Sec. 27. Section 77-1345, Reissue Revised Statutes of Nebraska, is amended to read:

77-1345. (1) Any taxpayer seeking special valuation under section 77-1344 shall make application to the county assessor on or before June 30 of the first year in which such valuation is requested.

(2)(a) The application shall be made upon forms prescribed by the Property Tax Administrator and available from the county assessor and shall include such information as may reasonably be required to determine the eligibility of the applicant and the land.

(b) The application shall be signed by any one of the following:

(i) The taxpayer;

(ii) Any person of legal age duly authorized in writing to sign an application on behalf of the taxpayer; or

(iii) The guardian or conservator of a taxpayer or the executor or administrator of a taxpayer's estate.

(c) The assessor shall not approve an application signed by a person whose authority to sign is not a matter of public record unless there is filed with the assessor a true copy of the deed, contract of sale, power of attorney, lease, or other appropriate instrument evidencing the signer's interest or authority.

(3) If the county board of equalization takes action pursuant to section 77-1504 or 77-1507, the taxpayer may file an application for special valuation within thirty days after the mailing of the valuation notice issued by the county board of equalization pursuant to section 77-1504 or 77-1507.

Sec. 28. Section 77-1345.01, Reissue Revised Statutes of Nebraska, is amended to read:

77-1345.01. (1) On or before July 15 in the year of application, the county assessor shall approve or deny the application for special valuation filed pursuant to section 77-1345. ~~The~~ On or before July 22, the county assessor shall send notification of his or her action to the applicant by regular mail to the address on the application. If the application is approved, the county assessor shall value the land as provided in section 77-1344.

(2) If the application is denied, the applicant may protest the ~~disapproval~~ denial to the county board of equalization on or before August 15. The protest shall be in writing and filed with the county clerk. The county board of equalization shall decide the protest on or before September 15. The county clerk shall mail notice of the board's decision to the applicant within seven days after the date of the decision. If the protest is denied, the notice shall state the reason for denial.

(3) ~~Within thirty days after the~~ The decision of the county board of equalization, ~~its decision~~ may be appealed to the Tax Equalization and Review Commission ~~pursuant to the Tax Equalization and Review Commission Act~~ in accordance with section 77-5013 within thirty days after the date of the decision.

(4) If the county board of equalization takes action pursuant to section 77-1504 or 77-1507 and the taxpayer filed an application for special valuation pursuant to subsection (3) of section 77-1345, the county assessor shall approve or deny the application within fifteen days after the filing of the application and issue notice of the approval or denial as prescribed in subsection (1) of this section. If the application is denied, the applicant may protest the denial to the county board of equalization within thirty days after the mailing of the notice of the action of the county assessor. The protest shall be in writing and filed with the county clerk. The county board of equalization shall decide the protest within thirty days after the filing of the protest by the applicant. The applicant may appeal the decision of the county board of equalization to the Tax Equalization and Review Commission in accordance with section 77-5013 within thirty days after the date of the decision.

Sec. 29. Section 77-1348, Reissue Revised Statutes of Nebraska, is amended to read:

77-1348. (1) Whenever land which has received special valuation becomes disqualified for such special valuation, the assessor shall notify the taxpayer and there shall be added to the tax extended against the land on the respective property tax roll or rolls, to be collected and distributed in the same manner as other taxes levied upon real property, an amount equal to the sum of the following:

(a) If the land was disqualified for special valuation before the levy date of the year of disqualification, the total amount by which the taxes assessed against the land would have been increased if it had been valued at its recapture value during the last three or lesser number of years in which such special valuation was in effect for the land, and, if the land was disqualified on or after the levy date of the year of disqualification, the total amount by which the taxes assessed against the land would have increased if it had been valued at its recapture value during the last four or lesser number of years in which special valuation was in effect for the land; and

(b) Interest upon the amounts of additional tax from each year included in subdivision (1)(a) of this section at the rate of six percent from the dates at which such additional taxes would have been payable if no special valuation had been in effect through sixty days after the notice sent pursuant to subsection (1) of this section. Upon expiration of the sixty days, the additional taxes and interest shall be delinquent and interest shall accrue at the rate provided in section 45-104.01 until paid.

(2) In cases when the designation of special valuation is removed as a result of a sale or transfer described in subdivision (2) or (3) of section 77-1347 other than an acquisition described in subsection (3) of this section, the lien for such increased taxes and interest shall attach as of the day preceding such sale or transfer.

(3) The provisions of subsection (1) of this section do not apply if:

(a) ~~The~~ the land was acquired by eminent domain;

(b) ~~The or if the~~ land is owned by a public entity and is disqualified from special valuation because it is being used or is being developed for use in a public purpose or is exchanged for other property to be used or developed for use in a public purpose; or

(c) The land is donated to an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code or to the state or its political subdivisions and will be used by the organization, state, or

political subdivision for a public, educational, religious, charitable, or cemetery purpose under section 77-202.

Sec. 30. Section 77-1363, Reissue Revised Statutes of Nebraska, is amended to read:

77-1363. Agricultural land and horticultural land shall be divided into classes and subclasses of real property under section 77-103.01, including, but not limited to, irrigated cropland, dryland cropland, grassland, wasteland, nurseries, feedlots, and orchards, so that the categories reflect uses appropriate for the valuation of such land according to law. Classes shall be inventoried by subclasses of real property based on soil classification standards developed by the Natural Resources Conservation Service of the United States Department of Agriculture. Land enrolled in a federal or state program in which payments are received for removing such land from agricultural or horticultural production shall be classified according to its taxable value as determined in subsection (2) or (3) of section 77-201. County assessors shall utilize and implement soil surveys in the tax year after the soil survey maps become available. County assessors shall utilize and implement soil classifications as converted into land valuation groups provided by the Property Tax Administrator. Nothing in this section shall be construed to limit the classes and subclasses of real property that may be used by county assessors or the Tax Equalization and Review Commission to achieve more uniform and proportionate valuations.

Sec. 31. Section 77-1380, Reissue Revised Statutes of Nebraska, is amended to read:

77-1380. (1) For each land manual area there is created an agricultural and horticultural land valuation board. Each county in a land manual area shall appoint one person to serve on the board. The appointment shall be made by the county board for a term of four years commencing on the second Tuesday after the first Thursday in January. Vacancies occurring during a term shall be filled by appointment by the county board of the county from which the vacancy occurred for the unexpired term. Upon expiration of a term of office, a member shall continue to serve until his or her successor has been appointed. Members shall serve without compensation but shall be entitled to the actual and necessary expenses incurred in the performance of their duties. Reimbursement for mileage shall be as provided in section 23-1112.

(2) ~~After reasonable notice and hearing, members~~ A member of an agricultural and horticultural land valuation board may be removed by the Tax Equalization and Review Commission for inefficiency, neglect of duty, misconduct, or incapacity to carry out the duties of a board member after a petition specifying the grounds for removal is filed with the commission, the filing fee specified in section 77-5013 is paid, notice is given to the board member whose removal is sought not less than ten days prior to the hearing, and a hearing is held. Any board member who is removed may appeal the decision to the Court of Appeals in accordance with section 77-5019.

(3) During the first ten days of February each year, each board shall meet and elect a chairperson, vice-chairperson, and secretary from its members. A majority of the members of a board shall constitute a quorum for the transaction of business. All actions of a board shall require the assenting vote of a majority of the members except adjournment. A board shall keep records of its proceedings and any proceedings in court arising out of or founded upon any board action pursuant to section 77-1381. On or before February 15 each year, each chairperson shall issue a written order to all county assessors within the land manual area to report data on the assessed valuations of agricultural and horticultural land, level of value, and any other information deemed appropriate for the board to perform its duties. No order from the chairperson shall require the county assessor to provide the requested data before March 20 19 or after April 1. Copies of all reports received by the chairperson in response to his or her order shall be transmitted to all members of the board upon receipt, but not later than five days prior to any meeting of the board held after April 1.

(4) Prior to any meeting of the board held after April 1, members of the board may transmit to the chairperson for referral to the other members of the board any proposals for action to be taken pursuant to the authority granted to the board by subdivisions (3) and (4) of section 77-1381.

Sec. 32. Section 77-1384, Reissue Revised Statutes of Nebraska, is amended to read:

77-1384. Any affected person may appeal an action of a board increasing or decreasing values or reclassifying land within the county to the Tax Equalization and Review Commission in accordance with section 77-5013 within fifteen days after the action. The commission shall hold a hearing and shall enter its order on or before May 15. ~~All appeals shall be filed within~~

fifteen days after the action by the board by mailing notice to the commission and the board setting forth the order from which the appeal is being taken, the date of the order, and a summary of the reason for the appeal. The burden of proof shall be on the party appealing the order to establish that the order by the board is unlawful, arbitrary, or capricious.

Sec. 33. Section 77-1502, Reissue Revised Statutes of Nebraska, is amended to read:

77-1502. The county board of equalization shall hold a session of not less than three days, for the purpose of reviewing and deciding the written protests filed pursuant to this section, commencing on June 1 of each year and ending on July 25. Protests shall be filed in triplicate with the board. Protests for real property shall be filed after the assessor's completion of the real property assessment roll as required by section 77-1315 and on or before June 30. Protests for tangible personal property shall be filed on or before the last date for filing the form required by section 77-1229.

Attached to each copy of the protest shall be a statement of the reason or reasons why the requested change in assessment should be made or the protest shall be automatically dismissed.

The board shall prepare a separate report on each protest, and such report shall include a description of the property described in the protest, the recommendation of the county assessor with respect to the action proposed or taken, the names of witnesses whose testimony was heard in connection with the protest, a summary of their testimony, and a statement by the board of the basis upon which its action was taken. Such report shall identify by name the members of the board favoring the action taken and be signed by the chairperson of the board. One copy of the report shall be given to the officer charged with the duty of preparing the tax list, and such officer shall have no authority to make a change in the values prepared and submitted by the county assessor until such report is in his or her possession, completed, signed, and certified in the manner specified in this section. If he or she deems it incomplete, he or she shall return the same to the board for proper preparation and execution.

Within seven days after a final decision by the county board of equalization on any protest filed with the board, the county clerk shall notify the protester of the action taken by the board. (1) The county board of equalization shall meet for the purpose of reviewing and deciding written protests filed pursuant to this section beginning on or after June 1 and ending on or before July 25 of each year. Protests regarding real property shall be filed after the county assessor's completion of the real property assessment roll required by section 77-1315 and on or before June 30. Protests regarding tangible personal property shall be filed on or before the last date for filing the return required by section 77-1229.

(2) Each protest shall be filed in triplicate with the county clerk of the county where the property is assessed. The protest shall contain or have attached a statement of the reason or reasons why the requested change should be made and a description of the property to which the protest applies. If the property is real property, a description of each parcel shall be provided. If the property is tangible personal property, a physical description of the property under protest shall be provided. If the protest does not contain or have attached the statement of the reason or reasons for the protest or the description of the property, the protest shall be dismissed by the county board of equalization.

(3) The county clerk or county assessor shall prepare a separate report on each protest. The report shall include (a) a description of the property to which the protest applies, (b) any recommendation of the county assessor for action on the protest, (c) if a referee is used, the recommendation of the referee, (d) the date the county board of equalization heard the protest, (e) the decision made by the county board of equalization, (f) the date of the decision, and (g) the date notice of the decision was mailed to the protester. The report shall contain, or have attached to it, a statement, signed by the chairperson of the county board of equalization, describing the basis upon which the board's decision was made. The report shall have attached to it a copy of that portion of the property record file which substantiates calculation of the protested value unless the county assessor certifies to the county board of equalization that a copy is maintained in either electronic or paper form in his or her office. One copy of the report shall be given to the county assessor. The county assessor shall have no authority to make a change in the assessment rolls until there is in his or her possession a report which has been completed in the manner specified in this section. If the county assessor deems a report submitted by the county clerk incomplete, the county assessor shall return the same to the

county clerk for proper preparation.

(4) On or before August 2, the county clerk shall mail to the protester written notice of the board's decision. The notice shall contain a statement advising the protestor that a report of the board's decision is available at the county clerk's or county assessor's office, whichever is appropriate, and that a copy of the report may be used to complete an appeal to the Tax Equalization and Review Commission.

Sec. 34. Section 77-1504.01, Reissue Revised Statutes of Nebraska, is amended to read:

77-1504.01. (1) After completion of its actions and based upon the hearings conducted pursuant to sections 77-1502 and 77-1504, a county board of equalization may petition the Tax Equalization and Review Commission to consider an adjustment to a class or subclass of real property within the county. Petitions must be filed with the commission on or before July 26.

(2) The commission shall hear and take action on a petition filed by a county board of equalization on or before August 10. Hearings held pursuant to this section may be held by means of videoconference. ~~Hearings conducted pursuant to this section shall be in the manner prescribed in section 77-5026.~~ The burden of proof is on the petitioning county to show that failure to make an adjustment would result in values that are not equitable and in accordance with the law. At the hearing the commission may receive testimony from any interested person.

(3) After a hearing the commission shall, within the powers granted in section 77-5023, enter its order based on evidence presented to it at such hearing and the hearings held pursuant to section 77-5022 for that year. The order shall specify the percentage increase or decrease and the class or subclass of real property affected or any corrections or adjustments to be made to the class or subclass of real property affected. When issuing an order to adjust a class or subclass of real property, the commission may exclude individual properties from that order whose value has already been adjusted by a county board of equalization in the same manner as the commission directs in its order. On or before August 10 of each year, the commission shall send its order by certified mail to the county assessor and by regular mail to the county clerk and chairperson of the county board.

(4) The county assessor shall make the specified changes to each item of property in the county as directed by the order of the commission. In implementing such order, the county assessor shall adjust the values of the class or subclass that is the subject of the order. For properties that have already received an adjustment from the county board of equalization, no additional adjustment shall be made applying the commission's order, but such an exclusion from the commission's order shall not preclude adjustments to those properties for corrections or omissions. The county assessor of the county adjusted by an order of the commission shall recertify the abstract of assessment to the Property Tax Administrator on or before August 20.

Sec. 35. Section 77-1510, Reissue Revised Statutes of Nebraska, is amended to read:

77-1510. ~~Appeals may be taken from any~~ Any action of the county board of equalization pursuant to section 77-1502 may be appealed to the Tax Equalization and Review Commission in accordance with ~~the Tax Equalization and Review Commission Act section 77-5013 on or before August 24.~~ The appeal shall be filed or postmarked within thirty days after adjournment of the board which, for actions taken pursuant to section 77-1502, shall be deemed to be July 25 of the year in which the action is taken. After an appeal has been initiated, the county board of equalization shall have no power or authority to compromise, settle, or otherwise change the action it has taken with respect to such assessment, and exclusive jurisdiction thereof shall be vested in the Tax Equalization and Review Commission, except that the county board of equalization may offer to confess judgment pursuant to section 77-1510.01.

Sec. 36. Section 77-1510.01, Reissue Revised Statutes of Nebraska, is amended to read:

77-1510.01. ~~After an appeal from any action of the county board of equalization is brought, the~~ After the Tax Equalization and Review Commission obtains exclusive jurisdiction of an appeal from a decision, order, determination, or action of a county board of equalization pursuant to section 77-5013, the board shall have no power or authority to compromise, settle, or otherwise change the decision, order, determination, or action it has taken. The board may, with approval of the Tax Equalization and Review Commission, offer to confess judgment for part of the value claimed or part of the causes involved in the action. If (1) the appellant is present and refuses to accept such confession of judgment in full of his or her the appellant's demands against the board in such action or the appellant fails to attend having had reasonable notice that the offer would be made, its amount terms, and the time

of making it and (2) at ~~trial hearing~~ the appellant does not ~~recover~~ obtain more relief than was offered to be confessed, the appellant shall pay all the costs and fees the board incurred after making the offer. The offer shall not be deemed to be an admission of the cause of action or relief to which the appellant is entitled, and the offer shall not be given in evidence at the ~~trial hearing~~.

Sec. 37. Section 77-1514, Reissue Revised Statutes of Nebraska, is amended to read:

77-1514. The county assessor shall prepare abstracts of the property assessment rolls of locally assessed property of his or her county on forms prescribed and furnished by the Property Tax Administrator. ~~7 showing the values of all taxable property as determined by the county assessor for the current year.~~ The county assessor shall ~~forward~~ file the real property abstract ~~to~~ with the Property Tax Administrator on or before March ~~20~~ 19 and the personal property abstract on or before June 15. The ~~abstract~~ abstracts shall show the taxable ~~property~~ value of real or personal property in the county as determined by the county assessor and any other information as required by the Property Tax Administrator. The Property Tax Administrator, upon written request from the county assessor, may for good cause shown extend the final filing due date for the real property abstract and the statutory due dates deadlines provided in this section and sections 77-1381, 77-1381.01, 77-1384, and 77-5027, and 77-5028.

Sec. 38. Section 77-1606, Reissue Revised Statutes of Nebraska, is amended to read:

77-1606. Any taxpayer may appeal from the action of the county board of equalization in making the levy, if in the judgment of such taxpayer the levy is for an unlawful or unnecessary purpose, or in excess of the requirements of a political subdivision, ~~within the same time and in the same manner as appeals are now taken from the action of the county board to the Tax Equalization and Review Commission in accordance with section 77-5013 within thirty days after the county board of equalization's action. The appeal shall set forth the levy appealed from and the amount or extent to which the appellant claims the levy is for an unlawful or unnecessary purpose or in excess of the requirements of a political subdivision, and to that extent and no further shall such levy be affected by such appeal. It shall not be necessary for such taxpayer to appear before the county board of equalization at the time of the making of the levy or prior thereto in order to entitle him or her to such appeal.~~

No appeal shall in any manner suspend the collection of any tax, nor the duties of the officers relating thereto during the pendency of the appeal, ~~and however, all taxes received based on such unauthorized the appealed levy or portion thereof appealed shall be kept by the treasurer in a special fund without distribution. The commission shall give notice of the appeal to the county board of equalization, county clerk, county assessor, and county treasurer of each county in which the tax is levied. The county board of equalization, county clerk, county assessor, or county treasurer shall not be charged with notice of the appeal until notice is served by the commission.~~

Sec. 39. Section 77-1608, Reissue Revised Statutes of Nebraska, is amended to read:

77-1608. The Tax Equalization and Review Commission shall hear the appeal and determine whether or not the levy appealed from or any part thereof is for an unlawful or unnecessary purpose or in excess of the requirements of the political subdivision. ~~The county shall make such reduction in the levy as the commission shall, from all the facts, determine is proper, legal, or necessary.~~ The decision of the commission shall be certified to the county assessor, county clerk, and county treasurer of each county in which the tax was levied to revise all tax records to reflect the corrected levy.

Sec. 40. Section 77-1610, Reissue Revised Statutes of Nebraska, is amended to read:

77-1610. If the tax books have been delivered to the county treasurer for collection of the taxes before the determination of ~~such~~ the appeal ~~in~~ by the Tax Equalization and Review Commission, ~~a copy of such decision shall be certified by the commission to the county assessor, county clerk, and county treasurer. The county treasurer shall thereupon distribute or return to the parties entitled to the tax held undistributed in accordance with such decision and then the county treasurer shall, upon receipt of the certified final decision of the commission, distribute or return to the taxpayers in accordance with such decision the appropriate amount of taxes paid and held pursuant to section 77-1606 and, if necessary, correct the tax rolls in his or her office to conform to such decision unless a further appeal is taken, in which case the county treasurer shall hold the taxes until the final determination of the appeal and thereupon distribute or return the same~~

in conformity to such decision and, if necessary, correct the tax rolls.

Sec. 41. Section 77-1623, Reissue Revised Statutes of Nebraska, is amended to read:

77-1623. If any such corporate authorities, whose duty it is, under the provisions of sections 77-1601 to 77-1624, to so levy and collect the tax necessary to pay off any such judgment, fail, refuse, or neglect to make provision for the immediate payment of such judgments, after request made by the owner or any person having an interest therein, such officers shall become personally liable to pay such judgments, and the party or parties interested may have an action against such defaulting officers to recover the money due on the judgment, or he, she, or they having such interest may apply to the ~~Tax Equalization and Review Commission~~ district court of the county in which the judgment is obtained, or to the judge thereof in vacation, for a writ of mandamus to compel the proper officers to proceed to collect the necessary amount of money to pay off such indebtedness, as provided in such sections. When a proper showing is made by the applicant for the writ, it shall be the duty of the ~~commission~~ district court or judge, as the case may be, to grant and issue the writ to the delinquents, and the proceedings to be had in the premises shall conform to the rules and practice of the ~~commission~~ court, and the laws in such cases made and provided.

Sec. 42. Section 77-1775, Reissue Revised Statutes of Nebraska, is amended to read:

77-1775. (1) In case of payment of any taxes upon property valued by the state made as a result of a clerical error or honest mistake or misunderstanding, except as to valuation or equalization, on the part of the taxing officials of the state or the taxpayer, the taxpayer shall make a written claim for a credit or refund of the tax paid within two years from the date the tax was due. The claim shall set forth the amount of the overpayment and the reasons therefor.

(2) The Property Tax Administrator may approve or disapprove the claim in whole or part without a hearing. The Property Tax Administrator shall grant a hearing prior to taking any action on a claim for refund or credit if requested in writing by the taxpayer when the claim is filed or prior to any action being taken on the claim by the Property Tax Administrator. The written order of the Property Tax Administrator shall be mailed to the claimant within seven days after the date of the order. If the claim is denied in whole or part, the taxpayer may appeal the decision, and the appeal shall be in accordance with the Tax Equalization and Review Commission Act within thirty days after the date of the written order of the Property Tax Administrator to the Tax Equalization and Review Commission in accordance with section 77-5013.

(3) Upon approval of the claim by the Property Tax Administrator, ~~or a court of competent jurisdiction,~~ the Property Tax Administrator shall certify the amount of the refund or credit to the county treasurer to whom the tax was paid or distributed. If only valuation was previously certified to a county or counties, then the Property Tax Administrator shall certify the value resulting from the ~~final decision~~ written order to the official who received the original valuation which was changed by the ~~final~~ written order. The refund shall be made in the manner prescribed in section 77-1736.06. The ordering of a refund or credit pursuant to this section shall not have a dispositional effect on any similar claim for refund or credit made by another taxpayer.

Sec. 43. Section 77-3506.02, Reissue Revised Statutes of Nebraska, is amended to read:

77-3506.02. ~~On~~ After county board of equalization action pursuant to sections 77-1502 to 77-1504.01 and on or before September 1 each year, the county assessor shall ~~determine~~ certify to the Department of Revenue the average assessed value of single-family residential property in the county for the current year for purposes of sections 77-3507 to 77-3509.

The county assessor shall determine the current average assessed value of single-family residential property from all real property records containing dwellings, mobile homes, and duplexes all of which are designed for occupancy as single-family residential property and any associated land not to exceed one acre.

The county assessor shall also report to the Department of Revenue the computed exempt amounts pursuant to section 77-3501.01.

Sec. 44. Section 77-3519, Reissue Revised Statutes of Nebraska, is amended to read:

77-3519. In any case when the county assessor rejects an application for homestead exemption, such applicant may obtain a hearing before the county board of equalization by filing a written complaint with the county clerk within thirty days from receipt of the notice from the county

assessor showing such rejection. Such complaint shall specify his or her grievances and the pertinent facts in relation thereto, in ordinary and concise language and without repetition, and in such manner as to enable a person of common understanding to know what is intended. The board may take evidence pertinent to such complaint, and for that purpose may compel the attendance of witnesses and the production of books, records, and papers by subpoena. Notice of the board's decision shall be mailed by the county clerk to the applicant within seven days after the decision. The taxpayer shall have the right to appeal from the ~~finding of the board~~ board's decision with reference to the application for homestead exemption to the Tax Equalization and Review Commission in accordance with section 77-5013 within thirty days after the decision.

Sec. 45. Section 77-3520, Reissue Revised Statutes of Nebraska, is amended to read:

77-3520. In any case when the Tax Commissioner rejects or reduces a claim for exemption, the applicant may obtain a hearing before the Tax Commissioner by filing a written petition with the Tax Commissioner within thirty days from the receipt of the notice of rejection or reduction. The petition shall state, in clear and concise language, (1) the amount in controversy, (2) the issues involved, (3) the name and address of the applicant, and (4) a demand for relief. The hearing shall be conducted in accordance with the Administrative Procedure Act. Notice of the Tax Commissioner's decision shall be mailed to the applicant within seven days after the decision. The applicant may appeal the Tax Commissioner's decision to the Tax Equalization and Review Commission in accordance with section 77-5013 within thirty days after the decision.

Sec. 46. Section 77-5001, Reissue Revised Statutes of Nebraska, is amended to read:

77-5001. Sections 77-5001 to 77-5031 and sections 52 to 60 of this act shall be known and may be cited as the Tax Equalization and Review Commission Act.

Sec. 47. Section 77-5004, Reissue Revised Statutes of Nebraska, is amended to read:

77-5004. (1) Each commissioner shall be a qualified voter and resident of the state and, for each commissioner representing a congressional district, a ~~resident~~ domiciliary of the district he or she represents.

(2) Each commissioner shall devote his or her full time and efforts to the discharge of his or her duties and shall not hold any other office under the laws of this state, any city or county in this state, or the United States Government while serving on the commission. Each commissioner shall possess:

(a) Appropriate knowledge of terms commonly used in or related to real property appraisal and of the writing of appraisal reports;

(b) Adequate knowledge of depreciation theories, cost estimating, methods of capitalization, and real property appraisal mathematics;

(c) An understanding of the principles of land economics, appraisal processes, and problems encountered in the gathering, interpreting, and evaluating of data involved in the valuation of real property, including complex industrial properties and mass appraisal techniques;

(d) Knowledge of the law relating to taxation, civil and administrative procedure, due process, and evidence in Nebraska;

(e) At least thirty hours of successfully completed class hours in courses of study, approved by the Real Estate Appraiser Board, which relate to appraisal and which include a fifteen-hour course in the Uniform Standards of Professional Appraisal Practice. If a commissioner has not received such training prior to his or her appointment, such training shall be completed within one year after appointment; and

(f) Such other qualifications and skills as reasonably may be requisite for the effective and reliable performance of the commission's duties.

(3) One commissioner shall possess any certification or training required to become a licensed real estate appraiser as set forth in section 76-2230.

(4) Prior to January 1, 2002, the chairperson, and on and after January 1, 2002, at least two commissioners, shall have been engaged in the practice of law in the State of Nebraska for at least five years, which may include prior service as a judge, and shall be currently admitted to practice before the Nebraska Supreme Court.

(5) No commissioner or employee of the commission shall hold any position of profit or engage in any occupation or business interfering with or inconsistent with his or her duties as a commissioner or employee. A person is not eligible for appointment and may not hold the office of commissioner or

be appointed by the commission to or hold any office or position under the commission if he or she holds any official office or position.

(6) (a) Each commissioner who meets the requirements of subsection (4) of this section on or after January 1, 2002, shall annually attend a seminar or class of at least two days' duration that is:

(i) Sponsored by a recognized assessment or appraisal organization, in each of these areas: Utility and railroad appraisal; appraisal of complex industrial properties; appraisal of other hard to assess properties; and mass appraisal, residential or agricultural appraisal, or assessment administration; or

(ii) Pertaining to management, law, civil or administrative procedure, or other knowledge or skill necessary for performing the duties of the office.

(b) Each commissioner who does not meet the requirements of subsection (4) of this section on or after January 1, 2002, shall within two years after his or her appointment attend at least thirty hours of instruction that constitutes training for judges or administrative law judges.

(7) The commissioners shall be considered employees of the state for purposes of sections 81-1301 to 81-1391 and 84-1601 to 84-1615.

(8) The commissioners shall be reimbursed as prescribed in sections 81-1174 to 81-1177 for their actual and necessary expenses in the performance of their official duties pursuant to the Tax Equalization and Review Commission Act.

Sec. 48. Section 77-5007, Reissue Revised Statutes of Nebraska, is amended to read:

77-5007. The commission has the power and duty to hear and determine appeals of:

(1) Decisions of any county board of equalization equalizing the value of individual tracts, lots, or parcels of real property so that all real property is assessed uniformly and proportionately;

(2) Decisions of any county board of equalization granting or denying tax-exempt status for real or personal property or an exemption from motor vehicle taxes and fees;

(3) Decisions of the Property Tax Administrator determining the taxable property of a railroad company, car company, public service entity, or air carrier within the state;

(4) Decisions of the Property Tax Administrator determining adjusted valuation pursuant to section 79-1016;

(5) Decisions of any county board of equalization on the valuation of personal property or any penalties imposed under sections 77-1233.04 and 77-1233.06;

(6) Decisions of any county board of equalization on claims that a levy is or is not for an unlawful or unnecessary purpose or in excess of the requirements of the county;

(7) Decisions of any county board of equalization granting or rejecting an application for a homestead exemption;

(8) Decisions of the Department of Motor Vehicles determining the taxable value of motor vehicles pursuant to section 60-3005;

(9) Decisions of the Property Tax Administrator made under section 77-1330;

(10) Any other decision of any county board of equalization; ~~and~~

(11) Any other decision of the Property Tax Administrator;

(12) Decisions of the Tax Commissioner pursuant to section 77-3520;

and

(13) Any other decision, determination, action, or order from which an appeal to the commission is authorized.

The commission has the power and duty to hear petitions brought pursuant to section 77-1380 and any other petition the commission is authorized to hear.

Sec. 49. Section 77-5013, Reissue Revised Statutes of Nebraska, is amended to read:

77-5013. (1) The commission obtains exclusive jurisdiction over an appeal or petition when:

(a) The commission has the power or authority to hear the appeal or petition;

(b) An appeal or petition is timely filed;

(c) The filing fee, if applicable, is timely received and thereafter paid; and

(d) In the case of an appeal, a copy of the decision, order, determination, or action appealed from, or other information that documents the decision, order, determination, or action appealed from, is timely filed.

Only the requirements of this subsection shall be deemed

jurisdictional.

(2) A petition, an appeal, or the information required by subdivision (1)(d) of this section is timely filed and the filing fee, if applicable, is timely received if placed in the United States mail, postage prepaid, with a legible postmark for delivery to the commission, or received by the commission, on or before the date specified by law for filing the appeal or petition. If no date is otherwise provided by law, then an appeal shall be filed within thirty days after the decision, order, determination, or action appealed from is made.

(3) The filing fee for each appeal or petition filed with the commission is twenty-five dollars, except that no filing fee shall be required for an appeal by a county assessor acting in his or her official capacity or a county board of equalization acting in its official capacity.

(4) The form and requirements for execution of an appeal or petition may be specified by the commission in its rules and regulations. Any person appealing from a final decision under section 77-1510 or 77-5007 shall timely file the appeal with the commission. For purposes of this section, an appeal shall be deemed to be timely filed if the appeal is postmarked or received within thirty days after the date the final decision was rendered.

~~(2) An appeal shall be perfected and the commission shall obtain jurisdiction when:~~

~~(a) The appeal is filed on a form provided by the commission;~~

~~(b) A filing fee of twenty-five dollars is paid, except that no filing fee shall be required for a county assessor filing in his or her official capacity; and~~

~~(c) A copy of the final decision or other information that documents such final decision is filed.~~

~~(3) Except as provided in this section, no other requirement shall be deemed jurisdictional.~~

Sec. 50. Section 77-5015, Reissue Revised Statutes of Nebraska, is amended to read:

77-5015. ~~Cases may be appealed to the commission within thirty days after the final action of the county board of equalization or Property Tax Administrator.~~ Appeals regarding the valuation or exemption of multiple parcels involving the same owner and the same issues may be consolidated ~~at the discretion of~~ in the manner prescribed by the commission. Any multiple filing fees paid for consolidated appeals shall be refunded by the commission, ~~if such fees were paid prior to the consolidation of appeals by the commission.~~ In any case appealed to the commission all parties shall be afforded an opportunity for hearing after reasonable notice. The notice shall state the time and place of the hearing. Opportunity shall be afforded all parties to present evidence and argument. The commission shall prepare an official record, which includes testimony and exhibits, in each case, but it shall not be necessary to transcribe the record of the proceedings unless requested for purposes of rehearing, in which event the transcript and record shall be furnished by the commission upon request and tender of the cost of preparation. Informal disposition may also be made of any case by stipulation, agreed settlement, consent order, or default.

Sec. 51. Section 77-5016, Reissue Revised Statutes of Nebraska, is amended to read:

77-5016. Any hearing or proceeding of the commission shall be conducted as an informal hearing unless a formal hearing is granted as determined by the commission according to its rules and regulations. In any hearing or proceeding heard by the commission or a panel of commissioners:

(1) The commission may admit and give probative effect to evidence which possesses probative value commonly accepted by reasonably prudent persons in the conduct of their affairs. It shall give effect to the ~~rules of privilege recognized by law~~ privilege rules of evidence in sections 27-501 to 27-513. It may exclude incompetent, irrelevant, immaterial, and unduly repetitious evidence. Any party to an appeal filed under section 77-5007 may request a formal hearing by delivering a written request to the commission not more than thirty days after the appeal is filed. The request shall include the requesting party's agreement to be liable for the payment of costs incurred and upon any appeal or review, including the cost of court reporting services which the requesting party shall procure for the hearing. The commission shall be bound by the rules of evidence applicable in district court in any formal hearing held by the commission. All costs of a formal hearing shall be paid by the party or parties against whom a final decision is rendered;

(2) The commission may administer oaths, issue subpoenas, and compel the attendance of witnesses and the production of any papers, books, accounts, documents, statistical analysis, and testimony. The commission may adopt and

promulgate necessary rules for discovery which are consistent with the rules adopted by the Supreme Court pursuant to section 25-1273.01;

(3) The commission may consider and utilize the provisions of the Constitution of the United States, the Constitution of Nebraska, the laws of the United States, the laws of Nebraska, the Code of Federal Regulations, the Nebraska Administrative Code, any decision of the several courts of the United States or the State of Nebraska, and the legislative history of any law, rule, or regulation, without making the document a part of the record. The commission may without inclusion in the record consider and utilize published treatises, periodicals, and reference works pertaining to the valuation or assessment of real or personal property or the meaning of words and phrases if the document is identified in the commission's rules and regulations. All other evidence, including records and documents in the possession of the commission of which it desires to avail itself, shall be offered and made a part of the record in the case. No other factual information or evidence other than that set forth in this section shall be considered in the determination of the case. Documentary evidence may be received in the form of copies or excerpts or by incorporation by reference;

(4) Every party shall have the right of cross-examination of witnesses who testify and shall have the right to submit rebuttal evidence;

(5) The commission may take notice of judicially cognizable facts and in addition may take notice of general, technical, or scientific facts within its specialized knowledge or statistical information regarding general levels of assessment within a county or a class or subclass of real property within a county and measures of central tendency within such county or classes or subclasses within such county which have been made known to the commission. Parties shall be notified either before or during the hearing or by reference in preliminary reports or otherwise of the material so noticed. They shall be afforded an opportunity to contest the facts so noticed. The commission may utilize its experience, technical competence, and specialized knowledge in the evaluation of the evidence presented to it;

(6) Any person testifying under oath at a hearing who knowingly and intentionally makes a false statement to the commission or its designee is guilty of perjury. For the purpose of this section, perjury is a Class I misdemeanor;

(7) The commission shall hear appeals and cross appeals ~~taken under section 77-5007~~ as in equity and without a jury and determine de novo all questions raised before the county board of equalization or the Property Tax Administrator which relate to the liability of the property to assessment or the amount thereof. If in the proceedings upon which the order, decision, determination, or action appealed from is based;

(8) In all appeals, excepting those arising under section 77-1606, if the appellant presents no evidence to show that the action taken by the board or the Property Tax Administrator order, decision, determination, or action appealed from is incorrect, the commission shall affirm such action deny the appeal. If the appellant presents any evidence to show that the action taken by the board or the Property Tax Administrator order, decision, determination, or action appealed from is incorrect, such order, decision, determination, or action shall still be affirmed unless evidence is adduced establishing that the action of the board or the Property Tax Administrator order, decision, determination, or action was unreasonable or arbitrary; -

(9) Any decision rendered by the commission shall be certified to the parties and, if applicable, to the county treasurer and the official charged with the duty of preparing the tax list. When such decision becomes final, ~~any~~ the officials shall correct their records accordingly;

~~(8)~~ (10) If the appeal concerns a decision by the county board of equalization that property is, in whole or in part, exempt from taxation, the decision to be rendered by the commission shall only determine the exemption status of the property. The decision shall not determine the taxable value of the property unless stipulated by the parties according to subsection (2) of section 77-5017;

~~(9)~~ (11) If the appeal concerns a decision by the county board of equalization that property owned by the state or a political subdivision is or is not exempt and there has been no final determination of the value of the property, the decision to be rendered by the commission shall only determine the exemption status of the property. The decision shall not determine the taxable value of the property unless stipulated by the parties according to subsection (2) of section 77-5017;

(12) The costs of any appeal, including the costs of witnesses, may be taxed by the commission as it deems just, except costs payable by the appellant pursuant to section 77-1510.01, unless the appellant is the county assessor or county clerk in which case the costs shall be paid by the county;

and

~~(10)~~ (13) The commission shall deny ~~the~~ relief to the appellant or petitioner ~~requested~~ in any hearing or proceeding unless a majority of the commissioners present determine that the relief should be granted.

Sec. 52. Each appeal or petition filed with the commission shall be deemed to include an oath, affirmation, or statement to the effect that its representations are true as far as the person executing or filing it knows or should know. Any person who willfully falsifies any such representation shall be guilty of perjury and shall, upon conviction thereof, be punished as provided by section 28-915.

Sec. 53. The chairperson of the commission shall, on application of any person having a cause or any matter pending before it, issue a subpoena for a witness or witnesses under the seal of the commission, inserting all the names required by the applicant in one subpoena.

Sec. 54. A subpoena of the commission shall be directed to the person named therein, requiring him or her to attend at a particular time and place and to testify as a witness. The subpoena may contain a clause directing the witness to bring with him or her any book, writing, or other thing under his or her control, which he or she is bound by law to produce as evidence.

Sec. 55. The subpoena shall be served in the manner requested by the applicant, by either (1) personally serving a copy or (2) mailing a copy by registered or certified mail, return receipt requested, not less than six days before the day of the hearing or deposition which the witness is required to attend. The person making such service shall make a return thereof showing the manner of service. A subpoena may be served by any person not interested in the matter or by the sheriff. When served by any person other than a sheriff, proof of service shall be shown by affidavit, but no costs of serving shall be allowed, except when served by a sheriff.

Sec. 56. (1) Witnesses cannot be compelled to attend a hearing out of the state where they are served or at a distance of more than one hundred miles from the place of their residence or from the place where they are served with a subpoena, unless within the same county. Witnesses shall not be obliged to attend a deposition outside the county of their residence or outside the county where the subpoena is served.

(2) The chairperson of the commission may, upon deposit with the commission of sufficient money to pay the legal fees and mileage and reasonable expenses for hotel and meals of such a witness who attends at points so far removed from his or her residence as to make it reasonably necessary that such expenses be incurred, order a subpoena to issue requiring the hearing attendance, but excluding a deposition appearance, of such witness from a greater distance within the state than that provided in subsection (1) of this section. Mileage shall be computed at the rate provided in section 81-1176. The subpoena shall show that it is issued under this section. After the appearance of such witness in response to any such subpoena, the chairperson of the commission shall enter an order directing the payment to the witness from such deposit of such legal fees, mileage, and the actual expenses for hotel and meals incurred by such witness. If such deposit is not adequate for such purpose, the chairperson of the commission shall direct the party procuring the issuance of such subpoena to pay to such witness the deficiency.

Sec. 57. (1) Except as provided in subsection (2) of this section, a witness may demand his or her traveling fees and fee for one day's attendance when the subpoena is served upon him or her, and if the same is not paid, the witness shall not be obliged to obey the subpoena. The fact of such demand and nonpayment shall be stated in the return.

(2) When a subpoena is issued at the request of any agency of state government, the witness shall not be entitled to demand his or her traveling fees and fee for one day's attendance but shall be required to obey the subpoena if, at the time of service upon him or her, he or she is furnished a statement prepared by the agency advising him or her of the rate of travel fees allowable, the fee for each day's attendance pursuant to the subpoena, and that he or she will be paid at such rates following his or her attendance.

Sec. 58. At the commencement of each day, after the first day, a witness may demand his or her fees for that day's attendance in obedience to a subpoena, and if the same is not paid he or she shall not be required to remain.

Sec. 59. Disobedience of a subpoena or a refusal to be sworn, to answer as a witness, or to subscribe a deposition, when lawfully ordered, shall be a Class V misdemeanor.

Sec. 60. An appeal or petition shall not be dismissed by reason of the death or other disability of a party or by the transfer of any interest in

property during its pendency. In the case of the death or other disability of a party, the commission may allow the action to continue by the party's representative or successor in interest. In case of any other transfer of interest in property, the action may be continued in the name of the original party or the commission may allow the party to whom the transfer is made to be substituted in the action in accordance with the party's interests.

Sec. 61. Section 77-5017, Reissue Revised Statutes of Nebraska, is amended to read:

77-5017. (1) In resolving a ~~contested case~~ an appeal or petition, the commission may make such orders as are appropriate for resolving the dispute but in no case shall the relief be excessive compared to the problems addressed. The commission may make prospective orders requiring changes in assessment practices which will improve assessment practices or affect the general level of assessment or the measures of central tendency in a positive way. If no other relief is adequate to resolve disputes, the commission may order a reappraisal of property within a county, an area within a county, or classes or subclasses of property within a county.

(2) In an appeal specified in subdivision ~~(8)~~ (10) or (11) of section 77-5016 for which the commission determines exempt property to be taxable, the commission shall order the ~~case returned to the county board of equalization~~ to determine the taxable value of the property, unless the parties stipulate to such taxable value during the hearing before the commission. The order shall require the county board of equalization to (a) assess such property using procedures for assessing omitted property, (b) determine such taxable value within ninety days after the issuance of the commission's order, and (c) apply interest, but not penalty, to the taxable value as of the date the commission's order was issued or the date the taxes were delinquent, whichever is later.

(3) A determination of the taxable value of the property made by the county board of equalization pursuant to subsection (2) of this section may be appealed to the commission within thirty days after the board's decision.

Sec. 62. Section 77-5020, Reissue Revised Statutes of Nebraska, is amended to read:

77-5020. The commission, subject to ~~proper~~ rules and regulations, to be published and furnished to every assessing official, shall have the power to invalidate the certificate of any county assessor or deputy assessor who willfully fails or refuses to comply with any order of the commission. No certificate shall be revoked or suspended except upon a proper hearing before the commission.

After due notice, if the county assessor certificate of a person serving as county assessor or deputy assessor is revoked, such person shall be removed from office, the office declared vacant, and such person shall not be eligible to hold that office for a period of five years from the date of removal. Any county assessor or deputy assessor whose certificate has been so revoked may appeal the decision to the Court of Appeals, ~~and the appeal shall be~~ in accordance with section 77-5019.

Sec. 63. Section 77-5022, Reissue Revised Statutes of Nebraska, is amended to read:

77-5022. The commission shall annually equalize the assessed value, special value, or recapture value of all real property as submitted by the county assessors on the abstracts of assessments and equalize the values of real property which is valued by the state. ~~For this purpose the commission shall meet as soon as the abstracts of assessments have been submitted by the county assessors.~~ The commission shall have the power to adjourn from time to time until the equalization process is complete. Meetings held pursuant to this section may be held by means of videoconference.

Sec. 64. Section 77-5023, Reissue Revised Statutes of Nebraska, is amended to read:

77-5023. (1) Pursuant to section 77-5022, the commission shall have the power to increase or decrease the value of a class or subclass of real property in any county or taxing authority or of real property valued by the state so that all classes or subclasses of real property in all counties fall within an acceptable range.

(2) An acceptable range is the percentage of variation from a standard for valuation as measured by an established indicator of central tendency of assessment. Acceptable ranges are: (a) For agricultural and horticultural land as defined in section 77-1359, seventy-four to eighty percent of actual value; (b) for lands defined in section 77-1344 receiving special valuation, seventy-four to eighty percent of special valuation as defined in section 77-1343 and seventy-four to eighty percent of recapture valuation as defined in section 77-1343; and (c) for all other real property, ninety-two to one hundred percent of actual value.

(3) Any increase or decrease shall cause the indicator of central tendency of assessment utilized by the commission to be at the midpoint of the applicable acceptable range.

(4) Any decrease or increase to a subclass of property shall also cause the indicator of central tendency utilized by the commission for the class from which the subclass is drawn to be within the applicable acceptable range.

(5) Whether or not an established indicator of central tendency falls within an acceptable range or at the midpoint of an acceptable range may be determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques. (1) Pursuant to section 77-5022, the commission shall have the power to increase or decrease the assessed value, special value, or recapture value of a class or subclass of real property of any county or tax district or real property valued by the state so that all classes or subclasses of real property in all counties fall within the acceptable range.

(2) Such increase or decrease shall be made by a percentage and shall result in the established indicator of central tendency of assessment for the class or subclass of real property adjusted at (a) seventy-seven percent of actual value for agricultural and horticultural land, (b) beginning January 1, 2001, ninety-six percent of special or recapture value for agricultural and horticultural land that receives special valuation pursuant to section 77-1344, and (c) ninety-six percent of actual value for nonagricultural and nonhorticultural real property. If such increase or decrease is made to a subclass of real property, the increase or decrease shall also cause the established indicator of central tendency of assessment for the class from which the subclass is drawn to fall within the acceptable range. This subsection shall become operative for all actions filed with the commission on or after April 7, 2000.

(3) For agricultural and horticultural land, the acceptable range shall be from seventy-four percent to eighty percent of actual value of agricultural and horticultural land, beginning January 1, 2001, for agricultural and horticultural land eligible for special valuation under section 77-1344, the acceptable range shall be from ninety-two percent to one hundred percent of the special valuation, and the recapture valuation shall be between ninety-two to one hundred percent of the recapture value, and for nonagricultural and nonhorticultural real property, the acceptable range shall be from ninety-two percent to one hundred percent of actual value of nonagricultural and nonhorticultural real property.

Sec. 65. Section 77-5027, Reissue Revised Statutes of Nebraska, is amended to read:

77-5027. The commission shall, pursuant to section 77-5026, raise or lower the valuation of any class or subclass of real property in a county when it is necessary to achieve equalization. On or before April 15 for 1997 and on or before April 5 for 1998 and each year thereafter nineteen days following the final filing due date for the abstract of assessment for real property pursuant to section 77-1514, the Property Tax Administrator shall prepare and deliver to the commission and to each county assessor statistical and narrative reports informing the commission of the level of value and the quality of assessment of the classes and subclasses of real property in the state within the county and certify his or her opinion regarding the level of value and quality of assessment in each the county. On or before April 15 for 1997 and on or before April 5 for 1998 and each year thereafter, the Property Tax Administrator shall certify his or her opinion regarding the level of value and quality of assessment of the county to each county assessor. For the purposes of informing the commission, the The Property Tax Administrator shall, for preparation of his or her reports and certification, employ the methods specified in section 77-112, the sales-assessment ratio study, other statistical studies, and studies of the assessment practices of a county. The Property Tax Administrator may employ transfers of comparable real property in market areas similar to the area in question or from another county as indicators of the level of value and the quality of assessment in a county. The Property Tax Administrator may use any other relevant matter in providing information to the commission.

Sec. 66. Section 79-1016, Reissue Revised Statutes of Nebraska, is amended to read:

79-1016. (1) On or before August 25, the county assessor shall certify to the Property Tax Administrator the total taxable value by school district in the county for the current assessment year on forms prescribed by the Property Tax Administrator. The county assessor may amend the filing for changes made to the taxable valuation of the school district in the county if corrections or errors on the original certification are discovered.

Amendments shall be certified to the Property Tax Administrator on or before September 30.

(2) On or before October 10, the Property Tax Administrator shall compute and certify to the State Department of Education the adjusted valuation for the current assessment year for each class of property in each school district and each local system. The adjusted valuation of property for each school district and each local system, for purposes of determining state aid pursuant to the Tax Equity and Educational Opportunities Support Act, shall reflect as nearly as possible state aid value as defined in subsection ~~(2)~~ (3) of this section. The Property Tax Administrator shall ~~also~~ notify each school district and each local system of its adjusted valuation for the current assessment year by class of property on or before October 10. Establishment of the adjusted valuation shall be based on the taxable value certified by the county assessor for each school district in the county adjusted by the determination of the level of value for each school district from an analysis of the comprehensive assessment ratio study or other studies developed by the Property Tax Administrator, in compliance with professionally accepted mass appraisal techniques, as required by section 77-1327. The Property Tax Administrator shall adopt and promulgate rules and regulations setting forth standards for the determination of level of value for school aid purposes.

~~(2)~~ (3) For purposes of this section, state aid value means:

(a) For real property other than agricultural and horticultural land, one hundred percent of ~~market~~ actual value;

(b) For agricultural and horticultural land, eighty percent of ~~market~~ actual value as provided in sections 77-1359 to 77-1363. For agricultural and horticultural land that receives special valuation pursuant to section 77-1344, ~~one hundred~~ eighty percent of special valuation as defined in section 77-1343; and

(c) For personal property, the net book value as defined in section 77-120.

~~(3)~~ (4) On or before November 10, any local system may file with the Property Tax Administrator written objections to the adjusted valuations prepared by the Property Tax Administrator, stating the reasons why such adjusted valuations are not the valuations required by subsection ~~(2)~~ (3) of this section. The Property Tax Administrator shall fix a time for a hearing. Either party shall be permitted to introduce any evidence in reference thereto. On or before January 1, the Property Tax Administrator shall enter ~~an~~ a written order modifying or declining to modify, in whole or in part, the adjusted valuations and shall certify the order to the State Department of Education. Modification by the Property Tax Administrator shall be based upon the evidence introduced at hearing and shall not be limited to the modification requested in the written objections or at hearing. ~~The final determination of the Property Tax Administrator may be appealed to the Tax Equalization and Review Commission in accordance with the Tax Equalization and Review Commission Act.~~ A copy of the written order shall be mailed to the local system within seven days after the date of the order. The written order of the Property Tax Administrator may be appealed within thirty days after the date of the order to the Tax Equalization and Review Commission in accordance with section 77-5013.

~~(4)~~ (5) On or before November 10, any local system or county official may file with the Property Tax Administrator a written request for a nonappealable correction of the adjusted valuation due to clerical error or, for agricultural and horticultural land, assessed value changes by reason of land qualified or disqualified for special use valuation pursuant to sections 77-1343 to 77-1348. For purposes of this subsection, clerical error means transposition of numbers, allocation of value to the wrong school district, mathematical error, and omitted value. On or before the following January 1, the Property Tax Administrator shall approve or deny the request and, if approved, certify the corrected adjusted valuations resulting from such action to the State Department of Education.

(6) On or before June 30 of the year following the certification of adjusted valuation pursuant to subsection (2) of this section, any local system or county official may file with the Property Tax Administrator a written request for a nonappealable correction of the adjusted valuation due to changes to the tax list that change the assessed value of taxable property. Upon the filing of the written request, the Property Tax Administrator shall require the county assessor to recertify the taxable valuation by school district in the county on forms prescribed by the Property Tax Administrator. The recertified valuation shall be the valuation that was certified on the tax list, pursuant to section 77-1613, increased or decreased by changes to the tax list that change the assessed value of taxable property in the school

district in the county in the prior assessment year. On or before the following July 31, the Property Tax Administrator shall approve or deny the request and, if approved, certify the corrected adjusted valuations resulting from such action to the State Department of Education.

~~(7)~~ ~~(5)~~ No injunction shall be granted restraining the distribution of state aid based upon the adjusted valuations pursuant to this section.

~~(6)~~ (8) A school district whose state aid is to be calculated pursuant to subsection ~~(4)~~ (5) of this section and whose state aid payment is postponed as a result of failure to calculate state aid pursuant to such subsection may apply to the state board for lump-sum payment of such postponed state aid. Such application may be for any amount up to one hundred percent of the postponed state aid. The state board may grant the entire amount applied for or any portion of such amount. The state board shall notify the Director of Administrative Services of the amount of funds to be paid in a lump sum and the reduced amount of the monthly payments. The Director of Administrative Services shall, at the time of the next state aid payment made pursuant to section 79-1022, draw a warrant for the lump-sum amount from appropriated funds and forward such warrant to the district.

Sec. 67. Section 79-1022, Reissue Revised Statutes of Nebraska, is amended to read:

79-1022. (1) On or before June 15, 2003, and on or before February 1 for each year thereafter, the department shall determine the amounts to be distributed to each local system and each district pursuant to the Tax Equity and Educational Opportunities Support Act and shall certify the amounts to the Director of Administrative Services, the Auditor of Public Accounts, and each district. The amount to be distributed to each district from the amount certified for a local system shall be proportional based on the weighted formula students attributed to each district in the local system. On or before June 15, 2003, and on or before February 1 for each year thereafter, the department shall report the necessary funding level to the Governor, the Appropriations Committee of the Legislature, and the Education Committee of the Legislature. Certified state aid amounts shall be shown as budgeted non-property-tax receipts and deducted prior to calculating the property tax request in the district's general fund budget statement as provided to the Auditor of Public Accounts pursuant to section 79-1024.

(2) Except as provided in subsection (3) of this section and subsection ~~(6)~~ (8) of section 79-1016 and section 79-1033, the amounts certified pursuant to subsection (1) of this section shall be distributed in ten as nearly as possible equal payments on the last business day of each month beginning in September of each ensuing school fiscal year and ending in June of the following year, except that when a school district is to receive a monthly payment of less than one thousand dollars, such payment shall be one lump-sum payment on the last business day of December during the ensuing school fiscal year.

(3) For school fiscal year 2002-03, except as provided in subsection ~~(6)~~ (8) of section 79-1016 and section 79-1033, the amounts certified pursuant to subsection (1) of this section shall be distributed according to the payment schedule in this subsection on the last business day of each month listed, except that when a school district is to receive ten thousand dollars or less, such payment shall be one lump-sum payment on the last business day of December. The amount distributed each month shall be equal to the amount certified pursuant to subsection (1) of this section multiplied by the applicable percentage, rounded to the nearest cent. The percentages are:

(a) For September, October, November, and December, seven and seven-tenths percent;

(b) For January, February, March, and April, ten percent; and

(c) For May and June, fourteen and six-tenths percent.

Sec. 68. Section 84-912.03, Reissue Revised Statutes of Nebraska, is amended to read:

84-912.03. Sections 84-912.01 and 84-913 to 84-919 do not apply to the Tax Equalization and Review Commission.

Sec. 69. Sections 33 and 71 of this act become operative on January 1, 2005. The other sections of this act become operative on their effective date.

Sec. 70. Original sections 19-910, 19-929, 23-168.03, 77-123, 77-201, 77-202.03, 77-202.04, 77-422, 77-603, 77-612, 77-684, 77-801, 77-802, 77-802.02, 77-1234, 77-1249, 77-1301, 77-1303, 77-1315, 77-1315.01, 77-1317, 77-1318, 77-1330, 77-1343, 77-1344, 77-1345, 77-1345.01, 77-1348, 77-1363, 77-1380, 77-1384, 77-1504.01, 77-1510, 77-1510.01, 77-1514, 77-1606, 77-1608, 77-1610, 77-1623, 77-1775, 77-3506.02, 77-3519, 77-3520, 77-5001, 77-5004, 77-5007, 77-5013, 77-5015, 77-5016, 77-5017, 77-5020, 77-5022, 77-5023, 77-5027, 79-1016, 79-1022, and 84-912.03, Reissue Revised Statutes of

Nebraska, and section 23-114.01, Revised Statutes Supplement, 2003, are repealed.

Sec. 71. Original section 77-1502, Reissue Revised Statutes of Nebraska, is repealed.

Sec. 72. The following sections are outright repealed: Sections 77-202.06, 77-202.07, 77-1607, and 77-1609, Reissue Revised Statutes of Nebraska.

Sec. 73. Since an emergency exists, this act takes effect when passed and approved according to law.