

LEGISLATIVE BILL 1326

Approved by the Governor April 15, 2024

Introduced by Dungan, 26.

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

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

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

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

(3) The property of Indian housing authorities created under Indian law shall be exempt from all taxes and special assessments of the state or any city, village, or public agency thereof. In lieu of such taxes or special assessments, an Indian housing authority may agree to make payments to any city, village, or public agency for improvements, services, or facilities furnished by such city, village, or public agency for the benefit of a housing project owned by the housing authority, but in no event shall such payments exceed the estimated cost to such city, village, or public agency of the improvements, services, or facilities to be so furnished. All payments made by any such housing authority in lieu of taxes, whether such payments are contractually stipulated or gratuitous voluntary payments, shall be distributed among the cities, villages, or public agencies within which the housing project is located, in such proportion that each city, village, or public agency shall receive from the total payment the same proportion as its ad valorem tax rate bears to the total ad valorem tax rate which would be levied by each city, village, or public agency against the properties of the Indian housing authority if the same were not exempt from taxation. For purposes of this section, (a) Indian housing authority means an entity that is authorized by federal law to engage or assist in the development or operation of low-income housing for Indians and which is established by the exercise of the power of self-government of an Indian tribe and (b) Indian law means the code of an Indian tribe recognized as eligible for services provided to Indians by the United States Secretary of the Interior.

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