

## LEGISLATIVE BILL 103

Approved by the Governor April 24, 1979

Introduced by Cullan, 49; Newell, 13 Rumery, 42;

AN ACT to amend section 77-604, Reissue Revised Statutes of Nebraska, 1943, and sections 77-602, 77-603, 77-606, 77-621, and 77-656, Reissue Revised Statutes of Nebraska, 1943, as amended by sections 2, 3, 5, 13, and 24, respectively, Legislative Bill 105, Eighty-sixth Legislature, First Session, 1979, relating to revenue and taxation; to change provisions relating to the taxation of railroad property as prescribed; to change certain dates as prescribed; and to repeal the original sections.

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

Section 1. That section 77-602, Reissue Revised Statutes of Nebraska, 1943, as amended by section 2, Legislative Bill 105, Eighty-sixth Legislature, First Session, 1979, be amended to read as follows:

77-602. The State Board of Equalization and Assessment on the first Monday of May of each year shall proceed to ascertain all operating property of any railroad company owning, operating, or controlling any railroad or railroad service in this state, which for the purpose of assessment and taxation, shall be held to include the main track, side track, spur tracks, warehouse tracks, roadbed, right-of-way and depot grounds, all machine and repair shops, general office buildings, storehouses, and all water and fuel stations, buildings and superstructures located on any of such property, any manufacturing plant necessary in the operation of such railroad and any property used or held in connection with the manufacturing plant, all machinery, rolling stock, telegraph lines and instruments connected with such lines, all material on hand and supplies provided for operating and carrying on the business of such road, in whole or in part, ~~together with franchises, and all other real or personal property of such railroad company, used or held for the purpose of operating its road, and appraise and assess the same as personal property and all real property of such railroad company which is adjacent and contiguous to the railroad right-of-way and is used or held for the sole purpose of operating the railroad. The board shall appraise and assess such property as other personal property.~~

Sec. 2. That section 77-603, Reissue Revised Statutes of Nebraska, 1943, as amended by section 3, Legislative Bill 105, Eighty-sixth Legislature, First Session, 1979, be amended to read as follows:

77-603. On or before April 1 each year, the person, company, or corporation owning, operating, or controlling any railroad or railroad service in this state, shall, by its president, secretary, principal accounting officer, or duly authorized corporate representative or official, return to the State Board of Equalization and Assessment a sworn statement or schedule of the property of such company on January 1 preceding, as follows:

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

(2) A complete list giving size, location as to governmental subdivision, material and value of all depots, station houses, machine shops, stockyards, scales, or other buildings situated wholly or in part on the right-of-way, together with all platforms, fuel and water stations, and the machinery and tanks connected therewith;

(3) A list showing the number of ties in track per mile, and weight of iron or steel rails per yard, used in the main or side track, what joints or chairs are used in track, kind of ballasting, length of time iron or steel has been used, and what length of time the road has been built;

(4) A full list of the rolling stock belonging to or operated by such road, which shall distinctly set forth the number, class, and value of all locomotives, passenger cars, dining cars, express cars, mail cars, baggage cars, grain cars, box cars, horse cars, cattle cars, coal cars, flat cars, wrecking cars, pay cars, and all other kinds of cars owned or used by such company, whether within or without the State of Nebraska, together with a statement of the number of miles traveled by each of the classes of cars over the line of such company within the State of Nebraska and without the State of Nebraska, separately during the preceding year ending December 31;

(5) A statement of 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 location and actual valuation of all its real estate and personal property in this state that is locally assessed. Such schedule shall be made in conformity with such instructions and forms as may be prescribed by the State Board of Equalization and Assessment, which values shall be taken into account and be considered in arriving at the true value of such railroad property and its franchises;

(6) A correct return of the value of all tools and materials used for repairs and of all other personal property in the State of Nebraska, together with such other information as the State Board of Equalization and Assessment may require;

(7) A true statement of all bridges, showing where located as to governmental subdivisions, the true value thereof, kind and material, the length, width, and height of such structure; and

(8) 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 such other information as the state board may in writing require, all of which shall be taken into consideration in ascertaining and fixing the value of such road and the franchise thereof.

Sec. 3. That section 77-604, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-604. The returns of railroad companies or corporations shall not be held to be conclusive as to the value of the property, but the State Board of Equalization and Assessment shall, from all the information which it is able to obtain, including records of the Public Service Commission or other regulatory body, find the true value of all such property, including tangible property and franchises, and shall assess the same on the same basis as other property is required to be assessed. The valuation of each mile of main line

track and side track shall be distributed by the state board based on a formula in which the value per mile of side track shall equal the value of the line divided by the following quantity: The number of miles of side track plus two times the number of miles of main track. The value per mile of main track shall equal twice the value per mile of side track as computed in this section. In taxing jurisdictions where two or more main tracks of the same railroad company intersect, the State Board of Equalization and Assessment shall allocate the side track within such taxing jurisdiction to the intersecting main tracks on a basis proportionate with the density factors determined for the intersecting main tracks. For the purposes of Chapter 77, article 6, the reference to side track shall include all track not properly designated as main track and shall include, but not be limited to, passing track, yard track, and track within terminals. Main track shall be defined as that track over which regularly scheduled railroad operations are conducted. Density factor shall be determined by ton-miles traveled over a route, measured by the number of tons of revenue freight moved one mile, shall be determined by dividing the whole value by the number of miles of the main track of each road or line.

Sec. 4. That section 77-606, Reissue Revised Statutes of Nebraska, 1943, as amended by section 5, Legislative Bill 105, Eighty-sixth Legislature, First Session, 1979, be amended to read as follows:

77-606. Any railroad company operating any road within the State of Nebraska shall, on or before April 1 of each year, report to the county assessor, or the county clerk where he is ex officio county assessor, of each county through which its track runs, the number of miles of main track and side track situated within each governmental subdivision in the county as of January 1, together with all real and personal property belonging to such railroad company which is not subject to assessment and assessed by the State Board of Equalization and Assessment under section 77-602.

Sec. 5. That section 77-621, Reissue Revised Statutes of Nebraska, 1943, as amended by section 13, Legislative Bill 105, Eighty-sixth Legislature, First Session, 1979, be amended to read as follows:

77-621. The return by the State Board of Equalization and Assessment to the county clerks shall include the following:

(1) The number of miles of main track and side track of each railroad located in each governmental

subdivision ~~in the county~~, and the total length of such main track and side track in the county;

(2) The average assessed valuation per mile of such main track and side track;

(3) The valuations that shall be placed to the credit of such governmental subdivision in the county.

Sec. 6. That section 77-656, Reissue Revised Statutes of Nebraska, 1943, as amended by section 24, Legislative Bill 105, Eighty-sixth Legislature, First Session, 1979, be amended to read as follows:

77-656. It shall be the duty of the assessor, upon the receipt of such assessment roll, between ~~January April~~ 1 and ~~March May~~ 1 each year, to value and assess all of the local property of each company in each city and village within his jurisdiction as of January 1 of the current year. The valuation so placed upon the property of each company within each city and village shall be the actual value, as nearly as may be determined, of that part of the company's local property located in such city or village, so that the same may be assessed and taxed on the same basis as other property is required to be assessed and taxed within such city or village. The returns of the companies required by sections 77-637 to 77-675 shall not be held to be conclusive upon the assessor or the State Board of Equalization and Assessment, but each assessor and the board is authorized to make an assessment from all of the facts, circumstances, and evidence which he or it may obtain in carrying out the provisions of sections 77-637 to 77-675. The assessment as made by the assessor shall not be final until reviewed as provided in sections 77-637 to 77-675, Reissue Revised Statutes of Nebraska, 1943, and amendments thereto.

Sec. 7. That original section 77-604, Reissue Revised Statutes of Nebraska, 1943, and sections 77-602, 77-603, 77-606, 77-621, and 77-656, Reissue Revised Statutes of Nebraska, 1943, as amended by sections 2, 3, 5, 13, and 24, respectively, Legislative Bill 105, Eighty-sixth Legislature, First Session, 1979, are repealed.