

LEGISLATIVE BILL 404

Approved by the Governor February 25, 1991

Introduced by Hall, 7

AN ACT relating to property tax; to amend sections 77-112 and 77-201, Reissue Revised Statutes of Nebraska, 1943; to provide for the valuation of agricultural land and horticultural land for tax year 1991; to define terms; to provide an operative date; to repeal the original sections; and to declare an emergency.

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

Section 1. That section 77-112, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-112. ~~Actual~~ (1) Except as provided in subsection (2) of this section, actual value of property for purposes of taxation shall mean the market value of property in the ordinary course of trade. Actual value may be determined using professionally accepted mass appraisal techniques, including, but not limited to:

~~(1)~~ (a) Comparison with sales of property of known or recognized value, taking into account location, zoning, and current functional use;

~~(2)~~ (b) Earning capacity of the property; and

~~(3)~~ (c) Reproduction cost less depreciation.

(2) Actual value when applied to agricultural land and horticultural land for purposes of taxation shall mean the value determined pursuant to section 77-201.

Sec. 2. That section 77-201, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-201. ~~All~~ (1) Except as provided in subsection (2) of this section, all tangible property and real property in this state, not expressly exempt therefrom, shall be subject to taxation and shall be valued at its actual value. Such actual value shall be taken and considered as the taxable value on which the levy shall be made.

(2) Agricultural land and horticultural land used solely for agricultural or horticultural purposes shall constitute a separate and distinct class of property for purposes of taxation. For tax year 1991, agricultural land and horticultural land shall be valued

using the agricultural land valuation manual issued pursuant to section 77-1330 for use in tax year 1990. Land values contained in such manual shall be correlated to the assessed values established by counties in tax year 1990. For purposes of this subsection, agricultural land and horticultural land shall mean any parcel of land valued by the county assessor as agricultural land or horticultural land in tax year 1990 unless the principal use, zoning, or ownership of the land changes, at which time the classification of the land shall be reviewed by the county assessor. This section shall not be construed as eliminating the requirement that county assessors utilize and implement soil surveys completed for tax year 1991.

Sec. 3. This act shall become operative for all taxable years beginning on or after January 1, 1991.

Sec. 4. That original sections 77-112 and 77-201, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 5. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.