

LEGISLATIVE BILL 182

Approved by the Governor June 10, 1997

Introduced by Landis, 46; Coordsen, 32; Kristensen, 37; Warner, 25; Wickersham, 49; Will, 8; Schellpeper, 18; Hartnett, 45; Hilgert, 7; Preister, 5; Abboud, 12; C. Peterson, 35; Beutler, 28; Jensen, 20; Wesely, 26; Lynch, 13

AN ACT relating to homestead exemptions; to amend sections 77-3501, 77-3505.02, 77-3507, 77-3508, and 77-3509, Reissue Revised Statutes of Nebraska; to provide exemptions for closely related claimants; to redefine maximum value; to change income eligibility amounts; to appropriate funds; to provide a duty for the Revisor of Statutes; to repeal the original sections; and to declare an emergency.  
 Be it enacted by the people of the State of Nebraska,

Section 1. Section 77-3501, Reissue Revised Statutes of Nebraska, is amended to read:

77-3501. For purposes of sections 77-3501 to ~~77-3524~~ 77-3529 and section 2 of this act, unless the context otherwise requires, the definitions found in sections 77-3501.01 to 77-3505.04 and section 2 of this act shall be found.

Sec. 2. Closely related shall mean the relationship of being a brother, sister, or parent to another owner-occupant of a homestead.

Sec. 3. Section 77-3505.02, Reissue Revised Statutes of Nebraska, is amended to read:

77-3505.02. Maximum value shall mean:

(1) For applicants eligible under ~~sections section 77-3507, and 77-3509,~~ one hundred fifty percent of the average assessed value of single-family residential property in the claimant's county of residence as determined in section 77-3506.02 or ninety-five thousand dollars, whichever is greater; and

(2) For applicants eligible under ~~section sections~~ sections 77-3508 and 77-3509, one hundred seventy-five percent of the average assessed value of single-family residential property in the claimant's county of residence as determined in section 77-3506.02 or one hundred ten thousand dollars, whichever is greater.

Sec. 4. Section 77-3507, Reissue Revised Statutes of Nebraska, is amended to read:

77-3507. (1) All homesteads in this state shall be assessed for taxation the same as other property, except that there shall be exempt from taxation on homesteads of qualified claimants a percentage of the exempt amount as limited by section 77-3506.03. The percentage of the exempt amount shall be determined based on the household income of a claimant pursuant to subsections (2), ~~(3), and (4)~~ through (6) of this section.

(2) For 1994, for a qualified married or single claimant whose household income is ~~610,400 or less,~~ the percentage of the exempt amount for which the claimant shall be eligible shall be one hundred percent.

~~(3) For 1995 and each year thereafter For 1996,~~ for a qualified married claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 18,000	100
18,001 through 19,000	85
19,001 through 20,000	70
20,001 through 21,000	55
21,001 through 22,000	40
22,001 through 23,000	25
23,001 and over	0

~~(4) For 1995 and each year thereafter (3) For 1996,~~ for a qualified single claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
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0 through 15,500	100
15,501 through 16,300	85
16,301 through 17,100	70
17,101 through 17,900	55
17,901 through 18,700	40
18,701 through 19,500	25
19,501 and over	0

(4) For 1997, for a qualified married or closely related claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 19,300	100
19,301 through 20,300	85
20,301 through 21,300	70
21,301 through 22,300	55
22,301 through 23,300	40
23,301 through 24,300	25
24,301 and over	0

(5) For 1997, for a qualified single claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 16,600	100
16,601 through 17,400	85
17,401 through 18,200	70
18,201 through 19,000	55
19,001 through 19,800	40
19,801 through 20,600	25
20,601 and over	0

(6) For exemption applications filed in calendar year 1998 and each year thereafter, the income eligibility amounts in subsections (4) and (5) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 1997. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

Sec. 5. Section 77-3508, Reissue Revised Statutes of Nebraska, is amended to read:

77-3508. (1) All homesteads in this state shall be assessed for taxation the same as other property, except that there shall be exempt from taxation, on any homestead of (a) veterans as defined in section 80-401.01 who are totally disabled by a non-service-connected accident or illness, (b) individuals who are paralyzed in both legs such as to preclude locomotion without the regular aid of braces, crutches, canes, or wheelchairs, (c) individuals who have undergone amputation of both lower extremities such as to preclude locomotion without the regular aid of braces, crutches, canes, wheelchairs, or artificial limbs, (d) individuals with progressive neuromuscular or neurological disease such as to preclude locomotion without the regular aid of braces, crutches, canes, wheelchairs, or artificial limbs or who have permanently lost the use or control of both arms, and (e) individuals who have undergone amputation of both arms above the elbow, a percentage of the exempt amount as limited by section 77-3506.03. The exemption shall be based on the household income of a claimant pursuant to subsections (2), ~~(3)~~, and ~~(4)~~ through (6) of this section. Application for such exemption shall include certification from a qualified medical physician for subdivisions (1)(a) through (1)(e) of this section or certification from the United States Department of Veterans Affairs affirming that the homeowner is totally disabled due to non-service-connected accident or illness for subdivision (1)(a) of this section. Such certification from a qualified medical physician shall be made on forms prescribed by the Department of Revenue.

(2) For 1994, for a married or single claimant as described in subsection ~~(1)~~ of this section whose household income is \$10,400 or less, the percentage of the exempt amount for which the claimant is eligible shall be one hundred percent.

~~(3)~~ For 1995 and each year thereafter For 1996, for a married

claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 20,000	100
20,001 through 21,000	85
21,001 through 22,000	70
22,001 through 23,000	55
23,001 through 24,000	40
24,001 through 25,000	25
25,001 and over	0

(4) For 1995 and each year thereafter (3) For 1996, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 17,500	100
17,501 through 18,300	85
18,301 through 19,100	70
19,101 through 19,900	55
19,901 through 20,700	40
20,701 through 21,500	25
21,501 and over	0

(4) For 1997, for a married or closely related claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 21,200	100
21,201 through 22,200	85
22,201 through 23,200	70
23,201 through 24,200	55
24,201 through 25,200	40
25,201 through 26,200	25
26,201 and over	0

(5) For 1997, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 18,600	100
18,601 through 19,400	85
19,401 through 20,200	70
20,201 through 21,000	55
21,001 through 21,800	40
21,801 through 22,600	25
22,601 and over	0

(6) For exemption applications filed in calendar year 1998 and each year thereafter, the income eligibility amounts in subsections (4) and (5) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 1997. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

Sec. 6. Section 77-3509, Reissue Revised Statutes of Nebraska, is amended to read:

77-3509. (1) All homesteads in this state shall be assessed for taxation the same as other property, except that there shall be exempt from taxation, on any homestead of (a) any veteran as defined in section 80-401.01 drawing compensation from the United States Department of Veterans Affairs

because of one hundred percent disability and not eligible for total exemption under sections 77-3526 to 77-3528 or the unmarried widow or widower of such veteran, (b) the unmarried widow or widower of any veteran, including those not listed in section 80-401.01, who died because of a service-connected disability, (c) the unmarried widow or widower of a serviceman or servicewoman who died while on active duty during the dates described in section 80-401.01, or (d) the unmarried widow or widower of a serviceman or servicewoman, including those not listed in section 80-401.01, whose death while on active duty was service-connected, a percentage of the exempt amount as limited by section 77-3506.03.

The exemption shall be based on the household income of a claimant pursuant to subsections (2) ~~(3)~~ and (4) through (6) of this section. Application for exemption under this section shall include certification of the status set forth in this section from the United States Department of Veterans Affairs.

(2) For 1994, for a married or single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection:

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 15,000	100
15,001 through 16,000	80
16,001 through 17,000	60
17,001 through 18,000	40
18,001 through 19,000	20

(3) For 1995 and each year thereafter For 1996, for a married claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 20,000	100
20,001 through 21,000	85
21,001 through 22,000	70
22,001 through 23,000	55
23,001 through 24,000	40
24,001 through 25,000	25
25,001 and over	0

(4) For 1995 and each year thereafter (3) For 1996, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 17,500	100
17,501 through 18,300	85
18,301 through 19,100	70
19,101 through 19,900	55
19,901 through 20,700	40
20,701 through 21,500	25
21,501 and over	0

(4) For 1997, for a married or closely related claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 21,200	100
21,201 through 22,200	85
22,201 through 23,200	70
23,201 through 24,200	55
24,201 through 25,200	40
25,201 through 26,200	25

26,201 and over 0

(5) For 1997, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 18,600	100
18,601 through 19,400	85
19,401 through 20,200	70
20,201 through 21,000	55
21,001 through 21,800	40
21,801 through 22,600	25
22,601 and over	0

(6) For exemption applications filed in calendar year 1998 and each year thereafter, the income eligibility amounts in subsections (4) and (5) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 1997. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

Sec. 7. There is hereby appropriated (1) \$3,388,232 from the General Fund for FY1997-98 and (2) \$3,651,732 from the General Fund for FY1998-99 to the Department of Revenue, for Program 108, to aid in carrying out the provisions of this legislative bill.

No expenditures for permanent and temporary salaries and per diems for state employees shall be made from funds appropriated in this section.

Sec. 8. The Revisor of Statutes shall assign section 2 of this act within sections 77-3501 to 77-3529.

Sec. 9. Original sections 77-3501, 77-3505.02, 77-3507, 77-3508, and 77-3509, Reissue Revised Statutes of Nebraska, are repealed.

Sec. 10. Since an emergency exists, this act takes effect when passed and approved according to law.